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# West Europe Report

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8 August 1984

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USSR FRIENDSHIP SOCIETY LEADER ATTACKED FOR BIAS IN ARMS STAND

Helsinki UUSI SUOMI in Finnish 8 Jun 84 p 40

[Article: "Tuomioja Accuses General Manager Ruokola of Favoring USSR"]

[Text] Assistant City Manager and Chief Editor Erkki Tuomioja of YDIN (Social Democrat) is accusing General Manager Matti Ruokola, chairman of the Finnish Peace Defenders (Center Party member) of favoring the Soviet Union in his positions on Euro-missiles.

In the lead article of the most recent issue of this newspaper Tuomioja writes that according to Ruokola NATO must first revoke its Euro-missile decision and then the USSR could withdraw the missiles it deployed as a counterbalance to NATO's missiles.

"This position is exactly in accordance with the Soviet view," states Tuomioja.

Tuomioja considers Ruokola's stand to be one-sided.

"In addition to demanding the withdrawal of NATO's missiles, a nonaligned peace movement must also be ready to propose that the Soviet Union's newest missiles in Eastern Europe as well as its SS-20 missiles preceding the NATO decision be withdrawn by a unilateral decision.

Tuomioja believes that the Peace Defenders is developing into a component of the Paasikivi Society and the minority Communist controlled Finland-USSR Society under Ruokola's chairmanship.

The Social Democratic Party is not a member of the Peace Defenders, but party members have functioned primarily within the Finnish Peace Union and the Sadankomiteat [Committees of One Hundred].

10576

CSO: 3617/180

## SORSA BEFORE ROME CLUB URGES NORDIC NUCLEAR-FREE ZONE

Helsinki HUFVUDSTADSBLADET in Swedish 13 Jul 84 p 12

[Text] Prime Minister Kalevi Sorsa emphasized the importance of establishing a nuclear weapon-free zone in the Nordic countries when on Thursday he spoke to the conference of the Rome Club in Helsinki. Sorsa pointed out that Finland believes that the nuclear weapon-free situation in the Nordic countries should be confirmed by agreements and that the major powers should give guarantees that nuclear weapons will not be used against countries which do not have nuclear weapons.

"There has recently been a lively discussion about a nuclear weapon-free zone in the Balkans, and about the Swedish proposal for a nuclear weapon-free corridor in Central Europe," said Sorsa.

Referring to President Kekkonen's proposal, Sorsa said that Finns start from the principle that in order to avert the threat of nuclear weapons and stop the arms race, one must begin where there are not yet any nuclear weapons.

"The discussion about regional limitations of nuclear arms could be a new kind of dialogue between nuclear nations and the states which do not have nuclear weapons," said Sorsa.

## Space War

According to Sorsa it is a new and alarming development that the arms race is being moved into space. Urgent negotiations are needed between the superpowers to prevent the militarization of space, he said.

"This development moves toward unilateral national solutions while international cooperation is being pushed aside. The rights of the powerful are replacing solutions which are based on peace and justice," said Sorsa. According to him, protectionism and the arms race are typical examples of how cooperation is being replaced by unilateral measures, which in the final analysis make the situation worse for everybody.

According to Sorsa, people have become accustomed to believe that the super-powers are aware of their responsibility for avoiding nuclear war. Technological developments push the arms race farther, said Sorsa, and it seems that it is not the international crises which increase the arms race, but rather it is the arms race which causes the international crises.

"The world is a world of mutual interdependence--between East and West and between North and South. Even if we delude ourselves into believing that unilateral measures advance our own security and welfare, the measures over the long run hurt those who took them," pointed out Sorsa.

#### Dark Decade

"International relations have for nearly 10 years become worse and more unstable. After this dark decade the people now want a new philosophy of international cooperation which has a unifying effect and will reanimate the struggle for peace and solidarity. On that basis the foundations of international cooperation must be changed, and the UN strengthened to provide better possibilities to protect the peace. First and foremost we must, however, obligate ourselves to cooperate," said Sorsa at the conference of the Rome Club.

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CSO: 3650/254

## CONSERVATIVE DAILY COMMENTS ON CABINET CHANGES

Copenhagen BERLINGSKE TIDENDE in Danish 24 Jul 84 p 16

[Editorial: "Minor Shuffle"]

[Text] Doing any less would not have accomplished anything and it could scarcely have been done much better.

The problem created by Henning Christophersen's departure has been solved in a way that fulfills the wish to maintain the strength of economic policy. This was done with a cabinet shuffle that maintains the balance of strength among the government parties while meeting the Conservatives' wish for a stronger position as a result of the party's election victory. And it must be regarded as frosting on the new cake that there is one more female minister in the government.

It is generally recognized--also by Social Democrats--that through his efforts as finance minister, Henning Christophersen has played a significant role in the formation of the government's economic policies and in the efforts to gather a Folketing majority behind them. His successor, Palle Simonsen, does not have the same background in economics, but in everyday parliamentary life he is respected as a politician with an unusual talent for doing the work that has to be done. It goes without saying that the position of social affairs minister has made special demands in a period when the country's economic situation has called for cuts and reorganization. During his almost 2 years in the post, the social affairs minister has had to carry out a number of changes that have raised the hackles of a great many people. However he has not only retained his calm demeanor and deliberateness, he has also been able to convincingly counter criticism that has often been quite sharp. It is regrettable that he will not have the opportunity to continue the reform policy for which he laid the foundations since it will be some time yet before it has been fully implemented.

But it is understandable that the prime minister took advantage of this opportunity to move Palle Simonsen to the top of the government. This gives the Conservative Party a more prominent place in economic policy but it is also an advantage for Poul Schluter that his close party colleague will be working more closely with him on a daily basis. And there is every

reason to believe now that Palle Simonsen will be a finance minister of great value to government work in the next few years.

It will be interesting to see if Elsebeth Kock-Petersen can master the large and complex Ministry of Social Affairs and if she will prove able to win parliamentary support for the necessary compromises without upsetting the government's policy. Her work in the undeniably less important Ministry of Church Affairs has not created expectations that she will be among the Liberal Party's leaders in the future or that she will be able to carry this heavy load. But perhaps those who made this brave decision are hoping that she will be a pleasant surprise.

Church Affairs Minister Mette Madsen's qualifications for the ministerial post are not that she is on the BLAESPRTTEN staff but that she has been a member of Folketing much longer than the party colleague she is replacing and that she has served her group with amiable solicitude. Since she was passed over when the government was formed, it must be regarded as reasonable that she was given a ministerial post when the opportunity arose.

The government is not very different than it was. And that is a very good thing.

6578

CSO: 3613/201

POLL FINDINGS DIFFER WIDELY ON GERMAN/TURKISH ATTITUDES

Xenophobia High in Cologne

West Berlin TAGESZEITUNG in German 7 Jul 84 pp 1, 2

[Article by hud: "A Poll in Cologne Shows: Hostility Towards Foreigners Is Created"]

[Text] Cologne (taz). In a representative survey of 792 Cologne residents over the age of 14, the Cologne sociologist Harald Rohlinger came up with alarming figures: Almost 50 percent manifested unconscious hostility towards foreigners. "This latent attitude," to be sure, does not signify any action, according to Rohlinger at a press conference on Friday in Cologne, but it is a "potential for action" that could by all means express itself more violently.

That hostility towards foreigners is on the increase in the FRG and to some extent has already assumed alarming forms can hardly be disputed. To be sure, a speaker of the "Cologne Appeal Against Hostility Towards Foreigners" emphasized on Friday, hostility towards foreigners is not a natural phenomenon, but rather "is created" by politicians and the media. This statement is confirmed by the survey results recently ascertained by Cologne students under the direction of the social scientist Rohlinger.

One result of this study shows that people, who themselves have had closer contact to foreigners, display less hostility.

Some 142,316 foreigners are working and living in Cologne (population share: 14.4 percent). Every seventh Cologne resident is a foreigner, every 15th is a Turkish citizen. During December 1982 to December 1983 of last year, a total of 60 interviewers conducted a survey of 792 persons living in Cologne. Selection criteria for the representative survey were the share of foreigners in the residential area, age and sex.

The fellow German citizens were then asked by the public opinion researchers whether foreigners are to blame for high criminality or molesting German women. Here the statements rejecting foreigners were by far in the majority. Some 49.5 percent of those surveyed expressed latent hostility towards foreigners, among 36 percent animosities were clearly ascertained, and 10 percent expressed militant resentment against immigrant workers. Among the majority of older

Cologne citizens and those surveyed with a low level of education, the sociologists found unequivocal prejudices and rejection. Only 27.8 percent of those surveyed, it was reported, did not express themselves in a manner hostile to foreigners.

Of interest are the investigations also with respect to the party preference of the persons surveyed. A total of 78 percent of the CDU voters agreed with the statements expressing hostility towards foreigners, while FDP supporters, with 48 percent, and SPD supporters, with 44 percent, fall within the "general trend". Merely among those who expressed their preference with the Greens, the interviewers found only 13 percent who manifest latent hostility to foreigners. The survey result is also remarkable with respect to the question of Germans and foreigners living together. Those among the surveyed who indicated "close contact" with foreigners rejected this question only in 38 percent of the cases, while those who had had hardly any or no contacts with foreigners rejected this question to the extent of 66 percent.

Rohlinger's one-year-long investigation stands in sharp contradiction to an analysis of hostility towards foreigners in Cologne published two years ago by the city. To be sure, the civil service statisticians registered the fact that, among a large part of the German population of Cologne, there exists a "relatively strong cultural distance vis-a-vis foreigners", but they denied any latent hostility towards foreigners: "The assertion, frequently heard recently in public, that the relationship of the Germans to foreigners is characterized by 'hostility towards foreigners' cannot be upheld."

The so-called "Guellner-Study" was severely taken to task by the members of the "Cologne Appeal Against Hostility Towards Foreigners", which on Friday, together with Rohlinger, presented his study, and by Pastor Helmut Ruhrberg. Ruhrberg: "We knew that this statistic is incorrect, for we heard daily about speeches and actions in Cologne which were hostile to foreigners." The study of the Statistical Office, according to the speaker of the Cologne Appeal, is a means used by the city to legitimize its own inaction. Ruhrberg sees a danger, above all, in the "latency of the hostility towards foreigners", which at any time can turn into active deeds if "clever demagogues like in France the 'New Right'" (Rohlinger) should gain influence.

"Failure to deal with the problem is dangerous," according to Ruhrberg, "if not even a crime." He launched a sharp attack on politicians who helped create an atmosphere of hostility towards foreigners with concepts such as "excessive presence of foreigners and glut of foreigners".

#### Frankfurt Youth Found Tolerant

West Berlin TAGESSPIEGEL in German 8 Jul 84 p 48

[Article by Marie Luise Bonner: "No Trace of Excessive Foreign Influence. Survey Among Young Foreigners--Pilot Project of Frankfurt Social Scientists"]

[Text] Young foreigners are offered a great deal more good will by their contemporaries in the Federal Republic theoretically than they themselves expect

or feel. This is the result of a survey among children of Italian and Turkish guest workers in the FRG, which the Frankfurt social scientists Wendy Hoag and Klaus Allerbeck contracted for within the framework of a study of youth [entitled] "Integration Readiness of Youth in Social Change" in 1983 and whose first results are now available.

"It was the goal of this project to include questions that will still be relevant 20 years from now, since it can be assumed that comparative time series youth studies will then also have to include the children of these guest worker children," explains Wendy Hoag in regard to the survey, which was supported by the Stiftung Volkswagenwerk [Volkswagen Foundation]. Regarded in overall terms, according to the study, 65 percent of the German young people have a rather positive, and 35 percent a rather negative, opinion with respect to guest workers in general. At the same time, however, it was found that 73 percent of the German young people surveyed have no contact to the Italians living in the Federal Republic and only 50 percent "know" Turks.

"Since at this point in time it would not be practicable to undertake representative studies for all foreign nationalities, selected groups in selected regions were polled," says Allerbeck with respect to the methods of the study, which is based on a representative random sample. According to Allerbeck, the Italians were selected as the "oldest" guest worker group, and the Turks as the "youngest". The addresses of the foreign young people between the ages of 16 and 18, pulled from the residents' registration lists, were assigned to the interviewers so that they could themselves determine whom they wanted to poll.

To assess 2,066 interviews for the overall study of young people, 196 Italian and 220 Turkish young people were polled, and, what is more, in areas with high or low concentration of foreigners, viz., Stuttgart, Heidelberg, Karlsruhe and Freiburg. "If the interviews did not materialize, these deficiencies were carefully checked in every respect in order not to overlook any indication for a possible distortion of the realized random samples," Mrs Hoag explains and points out that in the case of all the persons orally polled in the spring of 1983 there was a follow-up in writing in the fall.

Although the interviewers were Germans, it was reported that there were no substantial language difficulties. One group of those surveyed, according to the study, has lived for more than 13 years, and a second--4 to 12 years, in the Federal Republic. But even in the case of the group which has lived only 3 years or less in the FRG, it was reported, the interviewers certified that among the Italians full 8 percent had very good command and 20 percent had good command of the German language. In the case of the Turkish young people, too, it was reported, even with this relatively short period of residence, full 5.4 percent were judged to have very good, and 23.4 percent good, command of the language. The study, moreover, showed that the dependence of language competence on the length of stay is substantially the same for both nationalities and both sexes. While Italian and Turkish parents use their native language at home to the extent of 90 percent, the sons and daughters, it was reported, speak increasingly more frequently only German the longer they live in the FRG. After 13 years of residence in Germany, according to the study, 27.2 percent of Italian brothers and sisters talk in both languages,

and 64.1 percent speak only in German with one another, and among the Turks the corresponding figures are 34.4 percent and 46.9 percent.

"With respect to many other questions, too, it emerges, very much comprised in overall terms, that the prospects for integration of young foreigners are better than assumed on the basis of previous study," Wendy Hoag sums up the first evaluation of their study. Thus the frequently expressed fear of the "infiltration" of Germany by foreigners appears to be unrealistic since the replies of the young foreigners to the question of the desired number of children is only slightly above that of their German contemporaries. Both for male Italian and Turkish young people, according to the study, the figure came to an average of 2.4, for Italian and Turkish females--2.2 or 2.3. "The longer the young people are in Germany, the greater the reduction in the average number of children desired," the two social scientists explain.

While the length of the stay has a positive effect on language competence and assimilation to the circumstances of life on the part of the foreign young people in Germany, it intensifies--and this mainly among the Turkish young people--also the impression of not being welcome. Questioned how the Germans, on a popularity scale ranging from 0 to 100, would classify the nationalities of the guest workers, the Italians almost precisely named the value of 60.4 ascertained for them by the scientists. The Turks, by contrast, believed that the Germans classify them at 39.3, while the actual classification was at 51.9. Thus the two social scientists of the Johann Wolfgang Goethe-University concluded: "The perception of hostility towards foreigners increases among the Turkish young people with the length of their stay in the Federal Republic."

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CSO: 3620/381

## KOIVISTO REMAINS POPULAR WITH VOTERS ACCORDING TO GALLUP

Helsinki UUSI SUOMI in Finnish 4 Jun 84 p 3

[Article: "Koivisto's Popularity in Slight Decline"]

[Text] The popularity enjoyed by President Mauno Koivisto continues to remain exceptionally high even though the number of people satisfied with his performance has decreased slightly since last year. According to a poll conducted by Gallup at the request of the KALEVA newspaper, 78 percent of the adult population was satisfied with the president's performance in May. The corresponding figure in February was 84 and last year it was 87 percent.

In May 27 percent of the respondents was "especially satisfied" with Koivisto's performance. The proportions of those "fairly satisfied" was 51 percent, and the proportion of those "satisfied on the one hand and dissatisfied on the other" was 15 percent. The proportion of respondents "rather dissatisfied" was 2 percent and the proportion of those "particularly dissatisfied" was 1 percent. Three percent was not able to express an opinion.

The number of "especially satisfied" decreased in comparison with the poll conducted in February and correspondingly the number of those "rather satisfied" increased. Likewise, the proportion of those "satisfied on the one hand and dissatisfied on the other" increased 5 percentage points in comparison with February.

It has been confirmed in connection with Gallup that President Koivisto's popularity continues to be exceptionally high from an international point of view. The 87-percent approval rating received last year was so large that only one president, Harry S. Truman has achieved the same popularity rating in the United States, the home base of Gallup.

"Koivisto's Popularity Becoming Commonplace"

According to Docent Pertti Timonen, who was interviewed in Sunday's issue of KALEVA, the subtle changes in the various groups could in part also result from the fact that President Koivisto's popularity is becoming more commonplace. One of the reasons for the decline in popularity from February is Koivisto's statements on certain "populist" issues, such as the needlessness of national anthems at the Olympics Games, points out Timonen.

Examined by parties the proportion of the "especially satisfied" among supporters of the SDP dropped from 54 percent last year to 48 percent. Nevertheless, 92 percent of the SDP's supporters is satisfied with Koivisto if one includes the "rather satisfied" group.

#### Center Party Becoming Satisfied

The number of those satisfied in the Center Party has increased at an even rate and now exceeds the corresponding share of supporters of the SKDL [Finnish People's Democratic League]. The proportion of those especially satisfied is 24 percent and the number of those rather satisfied is 52 percent so that the total number of those satisfied is 76 percent.

The proportion of SKDL supporters especially satisfied with Koivisto is 20 percent and rather satisfied is 54 or a total of 74 percent.

The proportion of Conservative Party supporters especially satisfied is 18 percent and rather satisfied is 45 percent. Even the total of satisfied Conservative Party members is exceptionally high or 63 percent. However, this total is less than in the other large parties.

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CSO: 3617/180

## SIGNIFICANCE OF PARTIES' CONGRESSES EXAMINED

Helsinki HELSINGIN SANOMAT in Finnish 22 Jun 84 p 32

[Commentary by Ritva Remes: "A Great Future Behind Them"]

[Text] Party leaders determine the rise — and fall — of a politician. The party is, nevertheless, a good personal investment because, as a going-away present, they usually give a loser a post in the provinces, a government department, an embassy or a state enterprise.

When the new government was formed after the 1982 presidential elections, the Center Party (KEPU) riveted Eino Uusitalo to the past. In terms of the KEPU ministerial plans, Paavo Vayrynen let slip the immortal words: "There is no longer an Eino."

These are no longer here either: Jouko Kajanoja, Terhi Nieminen-Makynen, Taina Tahkamaa, Olavi J. Mattila, Ahti Karjalainen, Ingvar S. Melin, Erkki Tuomioja, Ulf Sundqvist, Heimo Linna, Mikko Pesala, Johannes Koikkalainen, Jacob Soderman, Osmo Kaipainen, Lars Lindeman, Seija Karkinen, Jaakko Itala....

They are members of Parliament, party leaders and ministers whose future is behind them. Politics raises and lowers people. The party leaders castrate the tip and the unimportant ones remain in the hands of the people.

When the party leaders stop the elevator between floors, it is because the rider has striven too hard to go too high. He is too clever, or needlessly stupid, he has forgotten to bow in the right direction, has acted or failed to act. Everything can be ruined at one stroke: Did you remember to titter in the party secretary's chorus today?

(You can guess that things are going downhill when not even your best joke gets a laugh out of the party leader and even good proposals are lost in the grumbling of the party secretary.)

The party is, nevertheless, a good personal investment. Someone who has been condemned to be a nonperson at least gets a modest post as a going-away present. The old government parties' simplest reservations are located in the provinces, government departments, embassies and state enterprises.

A chairman and a party secretary lead each party and party bureau. The vice chairmen, party councils, delegations and congresses are showcases of democracy. Sometimes they too have drive that rocks the spirits of the party leaders.

PaaVo Vayrynen did not want Veikko Pihlajamäki to be minister of defense. The minister maker was the party administration and the parliamentary delegation.

Kalevi Sorsa did not want Erkki Tuomioja to be even a candidate for the party committee. When the Helsinki district objected, it lost both its representatives in the party leadership. They were not even allowed to talk about Tuomioja.

#### Rise and Fall of Political Animals

Those who participate in politics readily call themselves political animals. Something primitive, pertaining to basic impulses, macho is associated with this designation. Those who employ the term are most often people who are leaving for official posts, who have been kicked out of politics. They construct an image of a bristling Finnish lion which, sword whistling through the air, pursues party ideals, the basic values and the defense of the little man.

In practice, those who have to leave do not return. The channels, publicity and the machinery are not at their disposal and no one is interested in them.

There are rare exceptions. The former SDP [Social Democratic Party] party secretary and former general manager of the Finnish Broadcasting Corporation, Erkki Raatikainen, has certainly not referred to himself as a political animal. For his own pleasure and as a hobby, Raatikainen writes and with ready wit he punishes Sorsa in his retirement days.

For a long time minister and prime minister, Urho Kekkonen's confidant, councillor of state Martti Miettunen, experienced the rise and fall of a political animal. He got the message and left for the KEPU congress in Kuopio to lambaste Virolainen with an old letter of Kekkonen's. The KEPU did not have any respect for slurs, instead making Jussi a presidential candidate. (Later Virolainen too fell.)

#### One-Term Chairmen

Of the five party congresses held in June only the Swedish People's Party (RKP) was satisfied with its former leaders. Entangled in the subway affair, Ingvar S. Melin's RKP had handled parliamentary elections before. STK [Finnish Employers Association] director Melin left for Geneva on international business.

The greatest agitation occurred in the Communist Party. One-term chairman Jouko Kajanoja was overthrown in a party-internal power struggle and disappeared from the forecourts of politics to ponder what he should do next. First secretary Arvo Aalto upset Kajanoja's shaky power.

The Liberal Party (LKP), a subordinate organization of the KEPU, also changed its top leader. One-term chairman Arne Berner made his political disappearing

act nearly complete: He disappeared together with his party. The mementos of it were left to the care of Kyosti Lallukka.

Berner was one of the engineers of the KEPU-Liberal party alliance. The alliance's other architect, Jaakko Itala, has been buried in his Mannerheim Alliance for 2 years.

Itala's predecessor, Pekka Tarjanne, succeeded in leaving the LKP in time. In Tarjanne's time there were still nine Liberals in Parliament. In leaving to head the Post and Telegraph Administration, he made room for the reserve candidate of the then KEPU-LKP election coalition, Kyllikki Stenros (KEPU), the present Mrs Virolainen.

Because of the Liberals, vice chairman Terhi Nieminen-Makynen also withdrew, apparently in the middle of the congress, holding back her tears and without concealing her bitterness. Only the chairman's seat would have been good enough for Terhi. That official in the Aid for Development Department of the Ministry of Foreign Affairs is now without a political bailiwick, but then the party has no representatives in Parliament either.

#### **Veikko Helle Died with His Boots On**

Vice chairman of the SDP, many times a minister and speaker of Parliament, Veikko Helle made the most elegant departure from politics. Helle performed his role right to the end. Charming, head erect, he chose the moment of his departure and arranged for his farewell at the party congress in Lahti. Matti Ahde was promoted to become the new vice chairman alongside Pirkko Tyolajarvi.

Former minister and party council chairman Johannes Koikkalainen also sank into the Social Democratic past in Lahti. Koikkalainen would have liked to stay on, but he had to go where they would like to have seen Raatikainen be, in quiet retirement.

They did, however, remember to thank Koikkalainen, among many others, during the closing session of the party congress. Among them was Jacob Soderman, now a governor occupying his post with a mandate from the Swedish Workers League.

Things went differently at the party congress in Pori, where Erkki Liikanen replaced the party secretary. Ulf Sundqvist, who had been party secretary for 6 years, was forgotten at Liikanen's celebration and a hasty correction was arranged with a get-together that was held afterwards.

With Kaarlo Pitsinki, Seija Karkinen, Osmo Kaipainen and Lars Lindeman, the number of those who have been forgotten in the SDP is large. They wanted to remove Kaipainen from the leadership of the Workers Sports League (TUL); he represents those who were banished to embassy posts. Kaipainen was offered the post of ambassador in Rio de Janeiro, but he was content with a lesser one and went to Oslo for a command of several years duration.

Lars Lindeman would have been content to retire from his career as minister, member of Parliament and ambassador. Against his will, he had to leave for Portugal again as ambassador.

Retired from politics, the SDP's top men, Ulf Sundqvist, Jacob Soderman and Erkki Tuomioja, are still dangerously in the public eye. At least Sundqvist has taken precautions to see to it that the final target of the rocket is not the office of the director of the Workers Savings Bank. Assistant municipal director Erkki Tuomioja reminds people of himself at every turn. Tuomioja dusts off the party's ideological foundation, plays a low card in parliamentary elections and confounds party congresses.

Of those noisily removed from the list, the brightest star is right now Tampere municipal director Pekka Paavola.

A police wanted notice besmirched the carefully rehearsed party congress which it had originally been planned Paavola would chair.

#### KEPU's Many Nonpersons

The KEPU also has a countless number of nonpersons. The change of president produced a natural withdrawal and the party leaders did their bit in the name of rejuvenation operations or leaders' ability to act.

Kekkonen's messenger, a member of Parliament, interior minister, deputy prime minister and chairman of the parliamentary delegation, Eino Uusitalo, who "is no longer there," departed to head the Veikkaus board of directors. Uusitalo's crime was that he refused to submit to Vayrynen's rule as did the more compliant Ahti Pekkala.

Nor is Ahti Karjalainen there any more. Drunkenness and losses of office have made an invisible man of him. Johannes Virolainen has, however, not yielded: With his straw-colored locks he dashes about trying to get back into politics. Painting his Kyllikki and advertising home-made beer, the former party leader has offended serious KEPU members.

The change of president was the swan song for Minister Olavi J. Mattila and his Saab tricks at Tamminiemi. Reluctantly, Mattila had to give up his state enterprises, Valmet and Enso-Gutzeit. Former head of the President's Office Juhani Perttunen finally got clear of it and into the peace of the interior minister's post.

Forgotten at the KEPU's party congress at the end of last week were the losers in the election for vice chairman, Taisto Tahkamaa, Heimo Linna and Mikko Pesala. Linna and Pesala were making a bid for the post and Tahkamaa lost the vice chairmanship to Martti Pura.

There is to boot a swarm of people occupying conspicuous posts in the parties who are on the verge of becoming ghosts. The KEPU expects Marjatta Vaananen to retire. She is no longer needed and she has nothing to offer the party. At Savonlinna Vaananen tightly held on to her vice chairmanship; they are aiming at a settlement in 2 years time.

In the SDP Erkki Liikanen's discovery, Vappu Taipale, has done his job and will be permitted to head the Social Welfare Administration. Kaarina Suonio has

lost her popularity with the party leaders and even her own district is grumbling: Even Sorsa found time to attend the congress but Minister Suonio had no time for it.

General manager Sakari Kiuru (Social Democrat) of the Finnish Broadcasting Corporation, the director of TV Channel 1, Arne Wessberg (Social Democrat), and the chairman of the administrative council, Reino Karpola, have also brushed against the line of demarcation with the past. Beef cattle raiser Karpola's ministerial years are far behind him; administrative council leaders like him because of his tactfulness.

Kiuru and Wessberg's problem is a Sorsa-like information climate. The threshold for SDP negative platforms has been too low.

During a rough session in which the SDP administrative council delegation censured those who had left and instructed the newcomers, Kiuru and Wessberg heard of their reelection as of the beginning of next year. Party information chief Lauri Sivonen, who heads the delegation, ordered the Finnish Broadcasting Corporation directors to stand and read the resolution. Sivonen ended his lecture with: "You may sit down."

When the chair is pulled out from under a politician, his disappointment can only be read in his face. His mouth speaks just the same, his words are confused. A politician does not tell you that he is indignant, crushed, angry. True to form, a politician thanks his party for the past and alludes to the future with the party and its interests in mind.

The last one to be dropped during the party congresses this summer, and a basic example, was KEPU vice chairman Taisto Tahkamaa and the most peculiar deviation was the Liberals' Terhi Nieminen-Makynen, who rushed out in tears.

Taisto Tahkamaa got the news of his defeat in Savonlinna a moment before the results were made public. He had time to draw a breath, but not enough readiness to compose the expression on his face, which had turned serious. As is the custom, Tahkamaa thanked the party, the chairman and the victor, who meant a rejuvenation operation for the party.

After a couple of days spent in recovering, Taisto Tahkamaa was once again his old self. In the KEPU he is now just a common parliamentary representative without any duties in the party administration or on the party executive committee.

"I'm not bitter at anyone," Tahkamaa assured them in Parliament.

"Whether I get into Parliament in the next elections or not, there's enough work to do here. And you don't have to take all bosses and organizations' positions seriously either."

Compliments also went to the Reino Uronens: "I've had such a long stretch in agriculture that I haven't learned to respect government officials. There are those ministers who draw a salary and shuffle officials' papers."

Tahkamaa thanked Paavo Vayrynen; he and Vayrynen cooperated effectively and shared the same line in farm policy.

That line was apparent, for example, in farm negotiations. When the Agricultural Producers Association (MTK) made a proposal, Tahkamaa went them one better with Vayrynen's support. "Tahkamaa's addition" put the MTK, the government and the negotiations to the test.

In thanking Vayrynen the thought that Paavo did not bestir himself for Tahkamaa did not make Tahkamaa hesitate.

"I haven't spoken with Paavo; I don't know what he was thinking. He is to be thanked for not having pressured me — and hopefully for not promoting Pura either. No one can now say that he, on the other hand, pressured Paavo."

Tahkamaa believes that Vayrynen would have had nothing against his being re-elected. And Martti Pura, who was elected vice chairman, has his interest at heart: "My policy line will continue to be followed in the party; Pura also promised the party congress this."

Tahkamaa is one of the agriculture ministers who was longest in office. He headed the ministry from 1979 to 1983. Before that he was defense minister from 1977 to 1979.

When Tahkamaa was made defense minister, his selection was viewed as the "Black Dozen" of the parliamentary delegation's swoon. Tahkamaa's support was necessary for Vayrynen at the party congress in Turku in 1980. When Johannes Virolainen was overthrown, Tahkamaa was elected vice chairman at the same congress in Turku at which Vayrynen became chairman.

Tahkamaa denies that there were any deals or conciliation with the Black Dozen. As a farmer, he was asked to run for vice chairman as early as at the congress in Oulu, but the matter did not fully develop until he left for Turku.

There was no question of subduing the Black Dozen either. Tahkamaa has on many occasions reiterated that the Black Dozen was not a Virolainen support group, although it did include Virolainen supporters.

As a supporter of Vayrynen, Tahkamaa said that he took a stand in Turku because both he and Vayrynen were trying to find a "third approach" to a collision course with the doctors.

The Black Dozen did not even operate in secrecy. When he was in the ministry, Tahkamaa told party leaders when he was on his way to negotiations. Current Minister of Defense Veikko Pihlajamäki has also gone to listen to the Black Dozen "at least once."

Tahkamaa asserts that pressure tactics have not been employed at Black Dozen meetings for years. Nor does common parliamentary representative Tahkamaa need to trip up the party leaders through the Black Dozen:

"The election of a vice chairman was a matter for the party congress. The party is of most importance and it must be straightened out. I don't want anything but to cooperate and offer my experience, especially for Pura to make use of."

## BRIEFS

GENNIMATAS' IMAGE--It seemed yesterday, during the discussion of the bill related to health care institutions, that the chamber of deputies had returned to the good old days, thanks to Messrs Gennimatas and Mitsotakis. It is true that the minister of health is noted, among the members of the governing party, for his seriousness and sobriety. Thus, his discussion with Kostas Mitsotakis, a veteran and experienced deputy, took place on a very high parliamentary level. "I agree that we have been unable to achieve what we should have achieved," Gennimatas said in all sincerity, "but we do not have a magic wand to change everything within 3 years." Mitsotakis acknowledged that "you are an able and good minister, and I must admit that, in matters of health, you conduct a dialogue and you follow a wise policy." To which Gennimatas replied that "I am not expert, I am not a physician, I am a civil engineer and I am attempting to be a politician," inviting the ND to "address your criticisms to us, tell us what we are doing wrong, so that we can correct our mistakes...." Without wishing to flatter Gennimatas--our ideological differences are still great--I think that our political life would be much more civilized, if only the Gennimatas' of the parties would exceed the Trisis', the Kapsis' and the Kedikoglous'.... [Text] [Athens I VRADYNI in Greek 19 Jul 84 p 3]

CSO: 3521/318

## NIJPELS ON RELATIONS WITH LUBBERS, ECONOMIC POLICY

Amsterdam ELSEVIERS WEEKBLAD in Dutch 7 Jul 84 pp 13-15

[Interview with Ed Nijpels, parliamentary party leader of the VVD in the Second Chamber, by Nico van Grieken: "If You Stop Watching the CDA for a Moment, Before You Know it You Have Lost a Billion"]

[Text] "Lubbers and I would form a reasonable duo." Ed Nijpels and his "real relationship" with the prime minister. About the retrenchments in 1985: "Virtually nothing has been decided yet." The position of the SER [Social Economic Council] is in danger of being brought up for discussion and Secretary of State Van der Reijsen will finally have to really economize. Ed Nijpels on summer recess.

Is it really him or isn't it? Yes it is, Nijpels! And so the parliamentary party leader of the VVD [People's Party for Freedom and Democracy] in the Second Chamber posed by the Royal Pond. For a picture with very giggly school girls.

That evening it is quiet in the Second Chamber. Tomorrow will be the last day before summer recess. The last day during which Joop den Uyl will be allowed to badger. Nijpels should never again, according to the PvdA [Labor Party] leader, let himself be placed on a European electoral list if he does not really have any intention of accepting his election. That is cheating the voters, says the moral. The finger went up very high.

Nijpels remains behind the green curtains. His vice chairman of the parliamentary party, Evenhuis, argued the case. "And who, mister president, did the people at the European elections vote for? For Piet Dankert or for the gentleman next to him on the election poster, Joop den Uyl?"

Silly, of course. Furthermore, Nijpels had understood the message long ago, as soon as it turned out that, although this was unprecedented and unexpected, he had received many preference votes.

This will not happen again. It is said that the party has learned a lesson from it. Ed H.T.M. Nijpels (34 years old) said: "It was the last time that I was listed at the bottom of the list. With this, the VVD custom of putting

the political leader on such a list has been eliminated. During my years in the JOVD [Liberal Youth Organization - Freedom and Democracy] I was already an opponent of double mandates."

Question: More than 100,000 people were misled.

Nijpels: The Central Committee wanted it that way. At the meeting of the electoral council they were laughingly wondering whether Kaminga, who was placed 29th, or I, who was listed in the 30th place, would be elected. It was done jokingly. And I was stuck with the dilemma; I had not put myself on the list. And now the reproaches are falling on my head.

If I had refused to be placed on the list, they would have said: that guy is vain. He thinks that he will get 100,000 votes. Then I did get those 100,000 votes and now the reproach is that I did it among other reasons to find out how popular I am.

Very Moderate

There was a bottle of wine on the table. Not Chateauneuf-du-Pape but an average bottle, which is sometimes referred to as plonk. That is excellent because, as Prime Minister Lubbers recently said in the VOLKSKRANT, it may well be that Ed would think quite differently about some things if he had been drinking and been able to put his feet on the table.

However, the bottle is still three-quarters full and consequently the answer could be guessed: "No, then I would not think differently about it. Furthermore, I am a very moderate drinker and I feel that there is too much drinking going on in politics. But I do understand what Lubbers means. If it was just a question of he and I dealing exclusively with one another, then we would very quickly agree with each other in a large number of areas. That was already proven at the time of the cabinet formation. And specifically with regard to issues in which the parliamentary parties were not involved because we did not find that necessary, we didn't want it or because the parliamentary parties felt that it was a matter for the two negotiators."

"With this remark, Lubbers means an area which I understand very well. We would quickly get down to business if we did not have all kinds of things around it. We could form a reasonable duo, especially in terms of mentality. This outlines our relationship very clearly. I even think that the Lubbers-Nijpels relationship is more flexible than the Lubbers-De Vries one."

Question: Also more flexible than the De Vries-Nijpels relationship?

Nijpels: Yes, but let us understand one another: our parliamentary parties differ enormously from each other. On Tuesday morning, at 10:30, I won't need to walk into the parliamentary party meeting with sweaty palms. (Takes a drink and thinks.)

I am absolutely convinced that if Lubbers and I had received full authority -- he from his club and I already had that authority -- we would have been able to

solve the nuclear arms problem already one-and-a-half years ago. For 3 months we were given unnecessary rehashings, and the ball was placed back 10 times on the same spot. But it happened to be politically impossible for Lubbers and me to sit at the table alone.

#### Ramification

Question: We are about halfway through this government period. You must be a very happy politician now that so much VVD policy has been elevated to government policy.

Nijpels: In drawing up an intermediary balance sheet, the judgement is greatly overshadowed by the results of the nuclear arms debate. Everyone realized that the missiles could be determining for the continued existence of the administration. I am sorry that that debate played such a role. There were many ramifications, specifically for the economy. Entrepreneurs I talked to were afraid that the Netherlands would make a vague decision and that postponement would be a symptom for the socio-economic policy. They were afraid that perhaps that would also be caught in the draft then. If I were to draw up an intermediate balance sheet, then I would say that the results with regard to government finances are better than we had expected.

Question: Was the distrust that great?

Nijpels: We had 4 years of experience with the Van Agt I administration. As a result we were not so much distrustful as reserved toward the new government policy. In 1977 we also thought that it was a great success, but ever more holes were shot in the retrenchment policy. At that time the government agreement was nothing more than a political pamphlet.

Well, we had the same skepticism about the Lubbers administration, especially also because the government agreement was so improbably clear. Will we ever manage to implement that agreement?, we thought. We can ascertain now that the government agreement has been done better justice than we had ever dared to hope. Finally something is happening now which should have happened much earlier.

Question: For 1985 -- and this will be decided on during the next few weeks -- it has been agreed to economize 9.6 billion guilders.

Nijpels: That is not yet definite. This matter has only been decided with regard to the national budget, but we still have to talk about social security and labor conditions in the public sector, the civil servants and the trend watchers.

Question: What does that mean in terms of amounts?

Nijpels: No decisions have been made at all yet about filling in the blanks, except for the national budget. Lubbers only said that the figure of 9.6 billion guilders is firm. Only the share of the national budget, in the amount of 2.9 billion guilders, has been set. The rest must still be discussed, specifically with the unions and civil servants organizations.

## Homework

I have noted, however -- and this apart from social security and labor conditions in the public sector --, that the Ministry of Health is a mess. In spite of all the plans which are published in the papers every time, no real savings have been produced yet in the Ministry of Health. The administration would do well to give Secretary of State for Health Van der Reijsden more homework to take home during the recess.

Question: Hasn't anything happened at the Ministry of Health then?

Nijpels: Nothing happened to bring grist to the mill. This year, 290 million guilders in savings are being shifted to next year. That is a worrisome matter. The administration failed in this regard. The CDA [Christian Democratic Appeal] and VVD once made a proposal, which was unfortunately publicized in the wrong manner, actually not by us. Afterwards, after members of parliament Lansink and Kamp had stuck out their necks, drastic measures were taken.

Question: And what are Ministers Rietkerk and De Koning going to do about the civil servants and the trend watchers?

Nijpels: There is little definitive to be said about it yet. Except for the fact that the size of their share in the savings package is not open for discussion. Lubbers has made this clear to them.

Question: The total amount of 9 to 10 billion guilders in retrenchments is the sum of savings which had been agreed on in the government agreement plus transferred failings. Another 1 billion guilders must be added which were not economized enough according to the Spring Memorandum.

Nijpels: There are also windfalls and for the moment they are resulting in a reduction of the financing deficit, which we had not expected half a year ago. However, I am worried about events in the Second Chamber. There are holes -- about 100 million guilders because of CDA proposals -- which will be directly chargeable to the national budget.

## In Principle

Question: And what about the VVD proposal to keep the WAO [Law on Labor Disability] out of the review of the system?

Nijpels: That is a matter of the social funds and they have a surplus. We don't distribute presents for no reason like the CDA does. With the WWV [Unemployment Law], the CDA broke agreements we had made with the administration. At that time we decided to say what we thought about an issue, the WAO, on which no agreements had yet been reached. Not as reprisal but to say that for us there is a difference in principle between people who are unemployed and people who are disabled.

I noticed that in recent months things had been going in the wrong direction. The CDA parliamentary party once again allowed itself to take a few liberties -- and if you don't pay attention for a moment in the Chamber, then you've lost

a billion guilders before you know it. I didn't like the concrete approach of the CDA. I turned to Ruding about this in writing and I wrote him that I had the impression that old times were threatening to return. Ruding reacted positively to my request to meet with the pentagon, the parliamentary party presidents and the experts. Incidentally, we could have reached an agreement for 1985 already a few weeks ago, if the CDA could have committed itself to agreements with the administration.

As far as I am concerned, agreements are already being made now for 1986. I am the first one who is willing to make agreements about the financial and socio-economic policies until and including 1986, thus until and including the elections. I dare make tough agreements even during the last year of this administration. I am not saying that no more tough measures will be implemented during that year.

Question: Would Lubbers dare that too? The 1986 budget could well become a banquet budget.

Nijpels: That remains to be seen. It is a crucial year, of course, but I hope that it will not be a banquet budget and that we will not yield to electoral favor. I think that Lubbers would very much like to make very hard agreements and that the tendency to want to make those already now is increasing — in me too, as a matter of fact — because of the somber reports about our economy in 1985 and 1986.

It is a good thing that those reports are already coming out now. It is a good thing for all the ministers who still have a tendency to work out their ideas during the Ruding regime. In any case, the somber data provided by the SER economists are no reason to detract from the policy the government has set in motion.

#### Minimum Incomes

Question: What does a worsened economic picture mean for minimum incomes?

Nijpels: A dangerous discussion. It is politically very unwise to indicate what is an acceptable minimum. You can't say that. You won't hear me say that it is not very sad to have to go to the supermarket and have to carefully figure to within 33 cents whether to buy a little chop or another small piece of meat.

Question: Doesn't politics determine what the minimum is?

Nijpels: But nobody has ever been able to figure out what is really the minimum. When Secretary of State for Social Affairs De Graaf says that the floor has not yet been reached for the minimum incomes, then he indicates that there is a floor. I simply don't know that. I honestly admit that.

Question: The SER talked last week about a review of the social security system. Following the meeting, the number of recommendations to the government had gone up even higher than the five that were already there. What do you think about an SER like that?

Nijpels: The SER should be fully aware of the fact that the strength of its recommendations lies in their unanimity. The SER cannot expect from the administration and the Second Chamber that all the recommendations they made will be thoroughly looked at. With divided recommendations it is up to the administration itself to cut the knots.

Question: What does that mean for the continued existence of the SER?

Nijpels: It is a clear warning. I don't attach any conclusions to it yet. But when you see that the SER falls apart too often concerning crucial requests for recommendations or that the Council is weakening itself, then sooner or later you cannot avoid a discussion on the position of the SER. Moreover, the SER works rather slowly, and then I am being nice about it.

Question: You said that the business world was afraid of a vague government decision with repercussions for the socio-economic policy. Do you think that the business world is satisfied now?

Nijpels: (slightly hesitant) To a large extent, yes. I have noted that business is worried, and rightly so, about the tax reduction and about the WIR [Investment Account Bill]. Of the promised tax reduction of 1.5 to 2 billion guilders, 800 million guilders will be achieved as net result this year. A tip.

Question: The SER economists even want to shift the tax reduction backwards, to years with little economic growth.

Nijpels: No, that will not happen. What happened last year with regard to that tax reduction cannot be repeated. The same is true for the WIR. The WIR must not be altered. It is not a subject of talks for us. It should be brought back up again during the government formation of 1986. I feel that the advice of the SER should be asked, and such advice is never available for the government formation.

Question: Strictly speaking, the WIR does not fit in at all with the VVD conceptions about the market economy. It is an investment stimulator which the companies should implement themselves. It is a centralist instrument, and also in the framework of deregulation...

Nijpels: ... it can be talked over with us. But then from a completely different angle. The discussion now focusses on the billions of guilders in the WIR. What could we take out of that?

Question: In principle, the WIR is an absurdity.

Nijpels: The WIR originated at the time of the Den Uyl administration and did not then have our undivided approval. But we have agreed that the WIR should remain throughout this government period. The greatest good of this government policy is the security we can provide to the business world.

Question: That should also apply to corporate taxes then. The rate would be reduced to 40 percent. The administration now says that it will remain at 43 percent.

Nijpels: No decision has been made yet. Not even about 1985.

Question: At the end of last year you said that barring any contradictory reports, you assumed that the rate would be lowered to 40 percent. To deviate from this would be possible only if the employers organizations agreed to it and if there were sound reasons for it.

Nijpels: We have to look at it. Quite a number of individual entrepreneurs have placed question marks next to a further reduction. They wondered whether it would not be wise to convert that part of the tax reduction into rate reductions or into other fiscal measures. However, I understand from VNO [Federation of Netherlands Enterprises] President Chris van Veen that he remains attached to the reduction from 43 to 40 percent. The NCW [Dutch Christian Employers Union] has a different position. This lack of clarity has not made things any easier for us.

Proper

Question: Minister Brinkman recently expressed serious criticism, in VRIJ NEDERLAND, of members of parliament who tie themselves to interest groups. You also let your judgement depend on such groups.

Nijpels: Brinkman meant that parliament bends its ear to all kinds of interest groups and no longer has an independent opinion beyond that. This specifically involved the distribution of funds and the submission of budgets. For me, the opposite is true. I choose 2 billion guilders in tax reductions for business and industry, and I find it absolutely proper to enter into negotiations about this with business and industry. Stronger even: that business and industry have a very substantial voice with regard to those billions. That is different from bending one's ear beforehand to interest groups who write speeches and motions for the members of parliament.

Question: You let your vote be determined by the opinion of an interest group, in this case the employers organizations.

Nijpels: I think that it is very wise indeed to ask business and industry how best to spend the money for the tax reduction. I assume that business and industry do not use the institution to fill their pockets.

Records

Question: The administration put an end to the phenomenon of "income records." It had gradually become possible to make about 30 of them.

Nijpels: And then you hadn't gotten there yet. In the CDA, those things were being given a kind of fetish-like character. It is a good thing that that is behind us now. De Koning doesn't want that discussion to come back.

Question: Furthermore, politically and socially speaking those images of income relationships could turn out to be unfortunate today because of their clarity. There is of course a question of a substantial break in leveling.

Nijpels: The coupling with distance now amounts to between 8 and 9 percent since 1980. Our electoral program mentions 5 percent over 4 years. Hence that distance has grown decently. That is not something to beat your chest about. I also don't believe that the savings in social security are anything to be proud of. It is a pure necessity and it is sad that it must happen.

Question: At the same time there is talk here and there of wage demands. The tension between wage earners and benefit recipients is growing.

Nijpels: I regret that discussion. We have to watch out for a self-fulfilling prophecy. On the other hand, because of the reduction in working hours I expect very serious social tensions. There is no other way than for the coupling between the minimum wage and benefit payments to be broken with the reduction of working hours. The unions which are in favor of a reduction in working hours, in fact accept the effect of it on social benefit payments. At least, I have never yet heard a union leader say that this effect cannot be passed on. Aside from that, I believe that income reduction for reduction of working hours also has its -- natural -- limits. The unions would soon run into opposition from their own members if disposable income were to drop substantially. It will be an uncomfortable discussion.

Question: How uncomfortable do you feel about the fact that the PvdA could be the largest party in 1986?

Nijpels: There is no sense in speculating about that already. In any case, there is this: if the administration hangs in there until the end of the road, then we will make the government policy a stake of the elections. I think that it remains to be seen whether the electoral growth of the PvdA will continue. We are calmly awaiting the elections of 1986 and I am starting the summer recess with my mind at ease.

The bottle of wine was still half full.

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## ELECTIONS' ANALYST VALEN: JOBLESSNESS ATTRACTING YOUTH TO LEFT

Oslo ARBEIDERBLADET in Norwegian 16 Jun 84 p 16

[Article by Rolf Berntsen: "Unemployment Produced Red Votes"]

[Text] Hamar: In the 1983 election joblessness and the desire for equality between the sexes attracted many young voters to the Labor Party and the Socialist Left Party, election analyst Henry Valen states to HAMAR ARBEIDERBLAD.

Valen asserts that one should be careful about drawing conclusions. Nevertheless he thinks there must be a direct connection between joblessness and how the young voted. An overwhelming majority of young voters saw the Labor Party as the best party for combating unemployment.

Professor Valen points out that young people are hard hit by joblessness. The proportion of young people hit by unemployment is very high. The 1983 election turned to a large extent upon employment, and this must have rebounded to the advantage of the Labor Party.

### Equality

Equality between women and men was another area in which the two socialist parties gained much support in the ranks of the young. These results are limited to women voters, but are very high. Concerning this, Valen says that the parties of the left clearly are more desirous of increased equality than the center parties and the conservatives. Young women have taken this into consideration. The conservative parties received little support from young women. The Progress Party fared worst. That party received no support from women between ages 18 to 29 who wanted equality. Nor did any of those who thought equality had gone far enough vote for the Progress Party.

### The Opposite for Socialist Left Party

The Conservative Party gained a better result than the Progress Party, but nevertheless ended up far behind the Labor Party. In comparison, the Socialist Left Party came out best. One of four young women who wanted more equality voted for that party. On the other hand, support from those who thought we had come too far in this area was nil. The figures are taken from a study conducted after the 1983 election.

## CREDIBILITY, PROCUREMENT PROBLEMS OF FINNISH, AUSTRIAN ARMIES

Helsinki UUSI SUOMI in Finnish 21 Jun 84 p 11

[Report on interview with Lieutenant General Scharf, the inspector general of the Austrian Armed Forces, conducted in Vienna by Jyrki Vesikansa: "Austrian Army Has a Credibility Problem; Is It Headed For a 'Finnish-Style' Missile Problem?"; date not given]

[Text] In Finnish discussion over defense it has often been said that there is one country where they have even smaller defense expenditures than we do, namely Austria. Our generals [from their offices] on Kasarmitori, of course, immediately point out that the Danube republic does not have to pay anything for a navy. At any rate, Austrian defense policy offers Finns an interesting basis for comparison.

The inspector general of the Austrian Armed Forces, Lieutenant General Scharf, is in all favorable respects the same sort as the old general in Molnar's comedy, "Olympia," playing at the Burg Theater: affable, good-natured, human. That is, just the opposite of a Prussian officer type.

Like our Jaakko Valtanen, he is one of the last of the old army officers who, from his own experience, knows what war is. And in a very painful way to boot. The battles on the Eastern Front ended in his being taken a prisoner of war.

## Battlefield Has Completely Changed

That is why the inspector general does not paint a rosy picture of modern warfare. The gradual disappearance of his kind of war experiences from the Austrian Armed Forces is not, according to him, however, a big problem since, as he sees it, World War II experiences do not help much in the shaping of today's strategy.

So, in this respect he differs somewhat from Finnish officers, who still very industriously study the Winter War and the Continuation War and draw conclusions from them. Or at least this seems to be the case when we read the MILITARY JOURNAL, among other publications.

"Our image of the battlefield is quite different from what it was during World War II, even if we don't consider nuclear weapons. There are precision weapons, enormous firepower, etc.," Scharf asserted.

## Credibility Is a Problem

So, what realistic possibilities does Austria have of maintaining a credible defense capability in the world of today, since it can mobilize less than 200,000 men, since defense expenditures are less than 2 percent of the GNP, since recruits' period of service lasts 6 months, since all missiles are banned by treaty, since the country is a long, narrow strip between two power groups?

General Scharf naturally provided confident replies in his office on the banks of the Danube, a few hundred meters from the stately, royal-imperial Ministry of War. He did not dispute obvious facts, but he did counterbalance them. And he above all stressed the country's determination to defend itself.

"When the Armed Forces were created after the war, other matters than defense had priority. During the war 300,000 Austrians died (170,000 of them at the front, relatively about the same amount as for us Finns). The country had to be rebuilt. Now, however, the plan is to strengthen defense in two stages by 1994.

"Our goal is to mobilize troops consisting of 300,000 men. This is, to be sure, a difficult objective... and it is not only a question of weapons, but of personnel, among other things.

"I believe that we are not, however, a strategically very interesting object for the superpowers since we have made it clear that we intend to prevent anyone from passing through [Austria] in the event of a conflict."

## Everything Unnecessary Has Been Trimmed

"Recruits' period of service is now the shortest possible one... but we use that time effectively. We don't train soldiers for general purposes, but soldiers for specific areas and specific tasks. Everything unnecessary has been trimmed... for example, there just isn't any close order drill. Of course, that's noticeable among the UN troops where the British tradition still prevails in connection with that...."

Strategy is structured in the Finnish way, on the basis of territorial defense. This is particularly obvious in an Alpine country whose provinces are separated from one another by high mountain chains. The fortified passes in the Alps and the valleys behind them are probably easy to defend, even in a modern war. But how they are capable of defending the flat country of the Danube Valley is another matter.

The toughest problem is the lack of missiles. Nevertheless, General Scharf believes in the potential of antitank defense, but, with regard to antiaircraft defense, he hopelessly shrugged his shoulders. The means available to the Austrians end 3 or 4 km above them with the range of their antiaircraft guns.

## Critical Opposition

Not everyone in Austria agrees with the smiling hopefulness of the Armed Forces leadership. In the opposition 14 years now, the OeVP [Austrian People's Party] severely criticizes the Social Democrats for neglecting national defense. However, even the OeVP admits that the Army has a good reputation and a reasonable defense spirit.

The Social Democrats announce that their goal is a Swiss-style militia system. The OeVP, however, claims that the means for this are lacking: They would need a lot of review exercises, good weaponry, etc. They do not, of course, oppose the goal itself, but they feel that the Bruno Kreisky government damaged national defense when it in a spirit of radicalism shortened the period of service, among other things, at the start of the 1970's.

## Civilian Service Is Not a Big Problem

The peace movement is also strong in Austria, but on Vienna's general staff they do not feel that civilian service is a big problem. Somewhat as in Finland, about 95 percent of those who are called up want to engage in armed service; there are about 3,000 conscientious objectors.

Besides the Armed Forces believe that they have through information activities recently again increased people's understanding of the need for armed defense.

On the general staff they feel, however, that the drawback of civilian service is that it is not in any way associated with national defense and it is as long as the period for recruits. It is therefore a very attractive alternative for those who love their comfort.

## Comparison with Finland

If Austria's views on defense are compared with Finland's, both pluses and minuses must be entered in the columns.

If necessary, Finland can mobilize almost four times more men than Austria -- our reserve strength is reported to be as much as 800,000.

To be sure, we probably do not have many more so-called defense troops than Austria's entire reserve and only defense troops have more or less up-to-date equipment. Most of Finland's huge reserve, which fully approaches the West German Federal Army in size, would be issued weapons that were used in the Continuation War -- some of the artillery pieces are probably even from World War I. But all the same, Finland has brigades.

On the other hand, Finland needs men; after all, the surface area of our country is great. According to some experts, defense expenditures should also be calculated per square kilometer, not only per inhabitant or per GNP. As far as terrain is concerned, still to this day it offers advantages in the case of Finland as well as of Austria.

## The Missile Issue

As for weaponry, missiles are a clearcut trump card for Finland. In Vienna they hope that they too will get the kind of interpretation of missiles written into their treaty that Finland negotiated for the Paris Peace Treaty in the early 1960's. That is, one that will allow defensive missiles.

## The Past Is Still a Problem

In one respect the status of Finland's generals is decidedly easier than that of their Austrian colleagues, even though the situation is not quite so simple in this respect here either.

Finnish military units can appeal to their traditions in World War II as well as earlier. In Austria the military past is, on the contrary, a problem.

"We rely on Austrian traditions," General Scharf stated. "In other words we skip over the years from 1938 to 1945. Thus we have the Prince Eugen Barracks, but not a Rommel Barracks, even though Erwin Rommel did operate here."

Nor a Dietl Barracks?

"Nor that either." (The name of the Austrian commander of the German troops in Lapland, is, of course, known to the general.)

Naturally, we may ask what real connection a small, neutral country's army has with the former great power of the Habsburgs' military traditions. But we may just as well ask why Finnish military units extend their traditions back to the Thirty Years War. Or why do we here celebrate the subjugation of a Polish rebellion with an ornament marking the date on the Guards Battalion flag — even when the flag was dipped in salute, at the head of the honor company, to the president of Poland?

## Memories Live On Among Veterans

As far as World War II is concerned, in Austria the wounds are, on the other hand, still fresh. While in West Germany they have somehow tried to distinguish the good from the bad in the legacy of World War II (stressing, of course, the latter), Austria officially skips over the whole era. They do not try to make too big a thing out of the Austrian resistance movement either.

On the other hand, they admit that memories of World War II live on through the numerous veteran organizations. And not a single person we discussed this with condemns the fact, even though they do belong to different political factions.

"The war years were, at any rate, a powerful experience for the veterans, one that cannot be passed over. In both nonsocialist and Social Democratic circles they emphasize that a strong bond of comradeship, for example, is associated with them."

In Austria veterans seem to be choosing those military virtues which, in the opinion of critics, are disappearing from the present-day Army. When the OeVP charged the government defense policy with being based on a lazy "40-hour-week" way of thinking, Mariazell veterans energetically set out for a joint celebration at 0600 hours of a Sunday morning. Wie anno dazumal [just like in the old days].

11,466

CSO: 3617/182

## AIR FORCE COMMANDER MERIO ON CAPABILITIES, PROBLEMS

Helsinki UUSI SUOMI in Finnish 8 Jun 84 p 40

[Article by Jukka Knuuti: "Norway and Finland Flying With Same Capabilities"]

[Text] "I have flown the Mig-21 enough to know what it is like to fly straight up with one's feet above one's head," says General Merio, who has also flown a Mig at twice the speed of sound.

"In ladling out a thick pea soup it seemed that the people came willingly when they saw that a general is doing the ladling." Thus said Lieutenant General Merio of his experience during last fall's day of famine when he was distributing soup in the center of Tikkakoski.

"Indeed, things at that time could have become quite hot, when one brought a Vihuri aircraft down after an engine failure. I once experienced such a failure and I had to make an emergency landing. Approximately half of the Vihuri accidents was the result of engine failures and the other half the result of a lack of discipline, when one went to fly over one's house or to simply fool around. A Vihuri pilot probably became a good arm twister since this aircraft was difficult to maneuver in acrobatic flying," recalls Merio in talking about the end of the 1950's.

The Finnish Air Force is competing with Norway in the same category with respect to its operational capacity even though Norway is receiving more modern equipment. Thus says Lieutenant General Rauno Merio, commander of the Finnish Air Force, who gives the assurance that the Finnish Air Force can meet its obligations with approximately 60 combat aircraft.

The commander is satisfied with the equipment situation of the Air Force, but personnel questions are a matter of concern. If the storyteller promised to fulfill one of his objectives, General Merio would like to put personnel questions in order. The equipment side would take only second place on his wish list.

He is also prepared to continue the Vinka project and the acceptance of the Turbovinha into the Air Force.

Residents in the area of Jyvaskyla are quite familiar with the thinking of Lieutenant General Rauno Merio, commander of the Air Force, who is from Tikkakoski in the vicinity of the Luotesjarvi Air Field. Once a month Merio writes a long column on the editorial page of the primary provincial newspaper, KESKI-SUOMALAINEN,

Merio says that he became a columnist since "something will stick in someone's mind through such a channel".

And what does the general hope will stick in the mind of the reader. The Air Force's need for funding and personnel? Or the strategies of modern air warfare.

The general's texts are always about something else. He ponders the important questions of life "in a spiritual sense" as he writes his columns. "Man is not just a physical being, but also a spiritual being. And this spiritual aspect should be more dominant. I am convinced of the continuation of life and in this sense there is perhaps a kind of religious stamp to my columns."

A few years ago a certain writer of textbooks wanted to quote from columns in which Merio wrote, among other things, that "matters of eternity are quite personal for a flier as well as for other people and seldom does one speak of them". The Vocational Training Administration, which was supposed to approve the textbook, considered, however, that his column "I Do Not Fly Alone" was not in accordance with educational objectives with respect to its content. Merio is still wondering why.

Last fall Merio was seen ladling out soup from the field kitchen in the center of Tikkakoski as part of the observance of famine day. He admits that the distributing of soup does not necessarily fit the image built for themselves by several Finnish Air Force commanders. "But I am no stranger to a soup ladle any more than to the handle of a shovel and ditch digging. Perhaps the old time generals would be horrified if they were to see me in such a role."

Merio says that it does not bother him to behave in a manner other than what others expect of him. It is important that a person does what is right for him in his innermost self and also that he dares to act in accordance with this."

Even though Merio is not one of those more common family names, individuals with the same name can be found in three Air Force garrisons. The senior Merio directs the Air Force from Tikkakoski. The older of the two sons is an instructor of young men in the secrets of flying at the Kauhava Air War College. The younger one is in Uti from where he flies around the country on a Fokker transport aircraft as a first mate.

General Merio denies that he encouraged either one of his sons to become fliers even though he is clearly proud of the occupational choice made by his sons. "Apparently, this air force consciousness has somehow entered their blood."

Lieutenant Rauno Merio (50), commander of the Finnish Air Force, is satisfied with the present situation in this branch of service. Within a few years the Karelia Flight Detachment obtained modern Mig-21 bis destroyer aircraft. It has been possible to transfer flight training to domestically built Vinka and Hawk training aircraft and destroyers. Since even target-towing equipment and transport aircraft have been renewed, the situation with respect to equipment is good.

And in addition, a transaction has been concluded on a partial squadron of Draken destroyer aircraft. Thus the Air Force will soon have approximately 60 combat aircraft, by which the country's neutrality can be successfully guarded, says General Merio.

However, 60 aircraft is not very many. For example, the air forces of many black African countries have more aircraft. However, Merio points out that mere figures are only partial truths. There are more significant issues than statistical data, such as resources to keep aircraft in the air, the availability of a sufficient number of bases, and the level of training.

Iran can serve as an example of the ability to maintain aircraft in operational condition. It is capable of flying only a very small portion of the combat aircraft owned by the Shah. The rest lay around air fields due to a lack of maintenance and spare parts. According to its commander, except for the Drakens, the Finnish Air Force is 100 percent self-reliant with respect to maintenance. It is nearly 90 percent self-reliant even with respect to Drakens since it is not economical to do all the work by itself. But in the event of necessity we can manage completely on our own resources, says General Merio.

#### Same Class As Norway

When Merio is asked to compare the operational capability of the Finnish Air Force to some analogous country, he considers his forces to be of the same category as Norway's "even though they are acquiring more modern equipment than we are". More modern equipment means F-16 destroyer aircraft, which many experts consider to be the world's most effective fighter planes at the present time.

The possibilities exist for carrying out our duties with 60 combat aircraft since we have other additional forces behind us. A decisive attitude and a faith in our own power are also important, but it must, indeed, be said that mere persistence is not enough unless one is backed by equipment, says Merio.

The arrival of American cruise missiles in Europe made these new weapons the subject of considerable publicity last fall. However, the Air Force does not consider them to be a primary threat to Finland in a crisis situation.

"The job of antiaircraft defense is to recognize, turn away, and in the final count to shoot down all violators of Finnish airspace. Reconnaissance aircraft would most likely be guilty of this violation in the initial phase of a war-threatening situation. If, in addition to these, foreign combat aircraft

began to fly over the country, the situation would become quite serious. Reconnaissance as well as combat aircraft would be the primary targets. Cruise missiles would only come after them in the order of priority."

However, Merio considers the use of cruise missiles to be a rather utopian issue and believes that peace will be maintained in spite of the threatening weapons developments resulting from political posturing.

#### Present Aircraft Will Be Used Until Year 2000

The Finnish Air Force will use its present combat aircraft until the next century, says Merio. No one is able to predict what kind of equipment will then be used at that time. Developments in military aviation will be so rapid according to the general's assessment. The Swedish JAS-multipurpose aircraft as well as the Soviet Mig-29, which are still on the drawing boards and are speculated for use by the Finnish Air Force, will become a reality in the 1990's. But whether they will become an extension of our present equipment is a completely different matter, emphasizes Merio.

The Air Force has always been the primary customer of the domestic aircraft industry and, therefore, it is quite understandable that the commander of the Air Force hopes that domestic aircraft manufacturing will be revived in spite of the present gloomy prospects.

The explosive development of prices for combat aircraft, among other things, emphasizes the importance of the domestic aircraft industry in his opinion. Their price level increases by almost one-fifth in a year or doubles within 5 years. For this reason, present aircraft are being kept operational for a much longer time than earlier types of aircraft. The aircraft itself remain the same on the outside. But its engines are improved and its electronics and weapons systems, in particular, are brought up to date.

And in this lies the importance of the domestic aircraft industry according to General Merio. In addition to carrying out those changes by which combat aircraft are kept up to date, it must also be capable of planning them. For the purpose of maintaining professional skills, relatively difficult tasks, for example, are needed for planners even if this does not necessarily demand the skill to build a new aircraft all the way from the ground up.

#### There Would Be A Use for Turbovinha

Therefore, Merio hopes that there will be a favorable atmosphere for the proposals of the work group examining the aviation industry development prospects of the so-called Raade committee. But in addition to approval in principle from the government, he is also expecting appropriations in the budget.

The Air Force would have a use for the Turbovinha being developed on the basis of Valmet's Kuorevesi Plant's Vinka elementary training aircraft, which unlike the Vinka has a turboprop engine and a retractable landing gear.

In Merio's opinion the Turbovinha could replace the Piper Arrow light aircraft used as a communications aircraft by the Air Force as well as free up all the

Vinka aircraft for training purposes. However, the Air Force would not need very many Turbovinhas since, for example, there are nine Piper Arrow aircraft, but at least in this way a prototype series would be put into motion. This would help clarify possibilities for continuation of the type. For example, without it sales efforts abroad would be worth nothing, emphasizes General Merio.

The domestic aircraft industry is so important to the Air Force that it is worth paying a little for it, states Merio. For example, in Merio's opinion the Vinka project introduced so much important knowledge and skill into the country that it was worth the price. Outsiders have complained about the expense of the Vinka project and also about its obsolescence. More developed aircraft could have been acquired from abroad for less, say the critics.

#### Personnel Is Bottleneck

If a good fairy were to appear to the commander of the Air Force and promise to fulfill one of his wishes, he would not wish for his pilots to have the world's most effective and modern combat aircraft. He would first like to put the personnel arrangements of his branch of service in order. As positive as the decision to acquire Drakens for the Satakunta Flight Detachment was, it also caused an acute personnel shortage. When the commander describes the Air Force's working day primarily as balancing out deficiencies in personnel questions, a personnel opening for a complete squadron must now be filled, which amounts to nearly 100 men. Indeed, there is time for this in this decade.

Personnel problems arise in part from the fact that the decision to acquire a partial Draken squadron, for example, did not include provisions to fill even the first vacancy. They must be sought and applied for separately and must be added to the total picture piece by piece. Thus personnel planning in the Air Force tends to lag behind other development, says General Merio.

And it is not just the Satakunta Flight Detachment that causes the commander to think about the question of filling vacancies. Each new generation of aircraft requires more and more maintenance work. An hour in the air always requires several additional hours of maintenance on the ground before an aircraft is ready to fly again.

10576

CSO: 3617/180

## BORDER GUARD TO ACQUIRE NEW COAST PATROL VESSEL

Helsinki HUFVUDSTADSBLADET in Swedish 7 Jul 84 p 10

[Text] On Friday the border guard ordered a light coast patrol vessel from Valmet. Two more will be ordered provided that the parliament gives its approval. Defense authorities on Friday received the first group of medium-weight trucks, made in France.

The light coast patrol vessels of the Lokki class are built of aluminum. They are 27 meters long and 5 meters broad. Displacement is 70 tons, and they have 2,000 engine horsepower. The ships, which will replace the old Koskelo-class, will be used for coastal patrol and lifesaving. With its equipment, one ship costs 11.8 million marks.

The Defense Department's new medium-weight trucks are built by Renault in France, and they are adapted to our conditions in Finland. More than 100 trucks will be delivered through 1987.

Major Andero Laki in the Headquarters Vehicle Technical Bureau confirmed that Finnish industry does not manufacture trucks of this size. The recommendation of the Finance Ministry was followed, and Defense decided to procure foreign vehicles for reasons of price and reliability of transport. Major Laki said that the vehicles will be used primarily for the usual purposes within the posts. The vehicles resemble civilian models, but have better terrain properties.

Eight vehicles are being delivered now. During the fall 30 more will follow.

Some of the vehicles will be open sided with tarpaulens, others will be fitted with hydraulic cranes. A third type will be equipped with covered truck beds for use in Lapland.

9287

CSO: 3650/254

## BORDER GUARD ORDERING THREE LIGHT COAST PATROL VESSELS

Helsinki HUFVUDSTADSBLADET in Swedish 7 Jul 84 p 12

[Text] The border guard is ordering three light coast patrol vessels. Funds have already been appropriated for one of the vessels, and two more will be ordered provided that the parliament appropriates the necessary funds. The border guard and Valmet shipyard signed the contract on Friday ordering one light coast patrol vessel.

The new ships will replace a corresponding number of obsolete and unsuitable coast patrol vessels of the Koskelo class. These boats will cost 11.8 million marks each, including equipment. According to the contract, one ship is to be completed in 1985, one in 1986 and one in 1987.

The light coast patrol vessels of the Lokki class are built of aluminum, are about 27 meters in length and 5 meters in beam. The displacement is 70 tons, and the engine horsepower is 2,000.

The new coast patrol vessels will be suitable for coastal patrol and lifesaving tasks. They will be equipped with the most appropriate surveillance and lifesaving equipment possible, and the most modern communications.

## Government Decision

The Cabinet Finance Committee earlier in the week gave the border guard permission to purchase a coast patrol vessel from Valmet for 11.8 million marks. Authorization for the purchase is in the first supplementary budget for this year. Five million marks will be paid this year and 6.8 million marks next year.

On Thursday the cabinet decided to approve an expenditure of 21.24 million marks in the third supplementary budget for this year so that the border guard could procure two coast patrol vessels during 1986-87 and order these at the same time as the first. That assumes, however, that the parliament appropriates the funds in the third supplementary budget.

The parliament assumes in connection with the year's first supplementary budget that it is most advantageous to order three vessels in series.

## NAVAL COMMANDER IN CHIEF ON SUBMARINE DEFENSE, MISSILES

Helsinki HUFVUDSTADSBLADET in Swedish 10 Jul 84 p 4

[Text] Finland's naval forces must be sure that they can function effectively in situations corresponding to the submarine incidents in Sweden. This was said by the naval commander in chief, Rear Admiral Juha Tikka, when the navy celebrated its anniversary on Monday.

According to Tikka, the new helicopters which the border guard has ordered will improve Finland's antisubmarine capability, but he also said that the navy should have more equipment for detection and identification.

In his speech Tikka characterized the coastal fleet as a useful and combat-ready force for both preparedness and defensive tasks.

The flotilla of missile boats of the Helsinki class which is now being built at a Swedish yard is planned to be operational before 1986. The builders are ahead of their timetable, and the keel of Helsinki 2 was laid last week.

## Shortage of Personnel

In connection with the procurement of missile boats, the greatest problem has been obtaining crews. The navy does not have funds for new crews for the new vessels. The crews must therefore be taken from the reserve ships "Louhi" and "Hameenmaa" and conscripts must be obtained by internal transfers.

Rear Admiral Tikka said that missile attacks in the Falklands War and in the Persian Gulf had emphasized the capabilities of missiles. The new boats will be noncombustible, and they will be equipped with electronic countermeasures. Crew training will emphasize damage control and firefighting.

The navy's present Soviet-made missile boats must be overhauled at the end of the 1980's. The new flotilla should already be in commission by then.

Tikka called the Soviet impulse mines, with which the navy is equipped, important strategic weapons which are equivalent to 5-10 mines of the older type.

#### Rowing Race

The navy celebrated its anniversary on Monday on Skatudden in Helsinki, where 14 ships were moored.

The anniversary was begun by hoisting the colors at eight o'clock, and thereafter there was a parade reviewed by Rear Admiral Juha Tikka.

The traditional military championship rowing race was held on Kronbergs fjord.

The navy celebrates its anniversary in memory of the decisive Battle of Svensksund in 1790, when the Swedish coastal fleet defeated the Russian fleet.

9287

CSO: 3650/254

## INDUSTRIAL OPPORTUNITY SEEN LOST IN EUROPEAN JET MANUFACTURING

## Government Blamed

Athens I KATHIMERINI in Greek 11 Jul 84 pp 1,3

[Text]Greece is apparently losing a probably unique opportunity to be solidly integrated in the European Community, to participate on equal terms in its industry in one of today's, and tomorrow's, most significant branches of technology: aeronautics, and to secure armaments in this field under the best possible economic, technological, industrial as well as political conditions.

It has become known for certain that the Papandreaou government was indeed unable to take the necessary initiatives which would have made it possible for the nation to participate, together with France, West Germany, Britain, Italy and Spain in jointly designing a European fighter airplane that will replace after 1995 the "Mirage, the "F-4" and the "Jaguar" which are used at present by European air forces.

The decision to draft the design of this European fighter airplane was made Monday evening in Madrid, at a conference of Defense ministers of the 5 countries involved. The French Minister, Mr. Hernu declared that this decision is a "capital event" and that this is:"The first instance of a military cooperation agreement of such significance and magnitude since the end of World II," and also that:"This decision constitutes a truly international challenge which will give Europe an aeronautical dimension of worldwide scope."

## The Obstacles

Not all the problems which stem from joint manufacture of the new type of fighter airplane have been solved yet but according to all indications the greatest obstacles, in particular that of a Franco-British cooperation for building the aircraft's engine, are being dealt with. It is estimated that the overall "cost" of the plan will be, in today's prices, in the vicinity of \$15 billion.

The Greek government knew about this scheme from the beginning, that is since April 1983, and about the meeting of the Air Force Staffs of the "5." Greece had, and still has, through its aircraft industry the possibility of participation, small of course, in a joint design scheme, equivalent at least to its participation in the "Airbus" and to the specifications for jointly building

aircraft which it has been negotiating for 3 years now with France and the United States.

#### There Is Some Hope

It is not excluded that tomorrow "something could happen" if Greece wishes it and if the "5" are willing: but only as an "outside associate" and not as a "founding member" of the constructions "joint venture," with rights and obligations that could have been negotiated under the best possible conditions. It is certain that even if the project of the "5" comes to nothing the experience afforded by the negotiations and first drafts would be valuable for a nation.

What has not been determined yet is whether Greece's non participation in this new building project of modern, high technology, is only the result of its doing or of scanty enthusiasm on the part of its potential partners. Some Western European aircraft building circles already had some "misgivings" both about the Greek connection with American industry ( this was and still is one of the obstacles in transmitting some of the technological "secrets" of the "Mirage") and about the PASOK's "Eastern" and "Middle Eastern" friendships.

#### Reasons For Non-Participation

Athens TA NEA in Greek 12 Jul 84 p 5

[Passages enclosed in slantlines printed in boldface]

[Text]/Greece did not take a part in the joint venture for the manufacturing of fighter airplanes by European nations because it is not ready yet for an equal technological participation but also chiefly because it has not yet solved its immediate armament problem for this decade./

This is the meaning of the announcement made yesterday by the government spokesman in order to explain the reasons for which the Greek government refused to take part in the joint manufacture of a European fighter airplane together with France, Great Britain, West Germany, Italy and Spain. /With this declaration the government spokesman also answered some of yesterday's articles in the press according to which Greece lost an opportunity to participate in the European jet project because of "negligence and inertia." It has been learned that the manufacture of this "Pan-European" aircraft will begin in 1995./

Specifically, the government spokesman said the following:

/"We refused to take part in the joint manufacturing project because Greece is not ready yet for an equal technological participation. We are aiming for compensatory benefits through the purchase of new aircraft, precisely in order to be ready to participate in such projects. The participating nations have solved their armament problems for the decade of 1980 to 1990. We believe that we will also achieve the capability to be technologically ready to take part in a similar project in the future. The manufacturing project of this specific aircraft puts participating nations under the obligation to purchase: for France 200, for West Germany 250, for Italy 100, for Spain 100 and for Great Britain 100 aircraft."/

As is known, the Greek government is expected to decide this summer which type or types of aircraft will constitute the so called "purchase of the century." This purchase is expected to cover most of the needs of the Greek Air Force until the year 2000.

#### Defense Seen Principal Concern

Athens ELEVTHEROTYPIA in Greek 12 Jul 84 p 8

[Text] Some newspapers of the Right are carried away by their oppositional desire to hurt the government but also some of the traditional ones of the Left, even serious ones, and they deal very badly indeed with the truly burning issue of our defensive armament. More particularly, that of the Air Force. And they attack the government because it did not take part in this project of European countries or did not follow the example of this or that particular nation.

However, how can they ignore reality? And reality is unfortunately very simple. No other European nation has our pressing and specific defense needs. Because, very simply, no other European nation has had to face, for many years now, the specter of a possible conflict. And none has a neighbor that claims a share of its national territory.

Whether it likes it or not the Greek government, any government of this country regardless of its party and ideological coloring, is compelled to participate in this arms race with Turkey. It has to make the "purchases of the century." Either because the Turks themselves ask for them or because the "allies" give them to them for reasons of their own, it is a fact that Turkey is reinforcing its defensive system with new weapons.

What government, and even more so one which promotes peaceful initiatives of such scope, would not prefer to devote to peaceful aims, to education, to health, to public works the huge amounts absorbed by national defense? But we all agree that national independence is paramount. Let us not forget this then when, as the opposition, we exercise political controls on matters of defensive policy.

12278

CSO: 3521/304

## NEW REGULATIONS CHANGE ARMY LIFE

Athens to VIMA in Greek 13 Jul 84 p 5

[Article by Nikos Khasapopoulos]

[Text] A few hours ago the lifestyle of all military units changed with the implementation of the new "General Regulations on Military Service" since recruits can now read freely - even if "one at a time" - any newspaper or magazine they wish and need not serve any prison sentence that is not over 10 days.

But the most extraordinary thing foreseen for the first time by the regulations (for the faithful application of which unit commanders will be responsible starting on Wednesday) is that they give to all the military whatever their rank, even to ordinary enlisted men, the right to refuse to obey any order or instructions they deem contrary to the nation's democratic regime. And not only can they refuse to obey or to carry out such an order but must also report to their superiors the person who gave that order which "goes against the regime." Therefore, from now on, potential conspirators or plotters will have to contend with a substantial reaction from all their subordinates.

With the "20-1", as the new regulations are called by the military, all previous regulations which were established essentially from 1953 to 1968 are being modified and many of them were viewed as either obsolete or (especially those that were enacted during the dictatorship) as "anti-democratic." Also all the stipulations of the 982/1980 Presidential Decree have been abolished, that is those of the previous military regulations.

With the military regulations, which it should be noted were written for the first time in the demotic [popular] tongue, civilian clothes for enlisted men when outside their units, that is when they have a 24-hour or other leave or even a simple pass, have now been approved.

It is also significant that the 25th article of the regulations states that: "The Armed Forces belong to the Nation. Every soldier can have his convictions and his personal beliefs but within the framework of his service he must maintain a strict neutrality. Every kind of political activity is severely forbidden. Recruits who were members of a political organization before they were conscripted must put off their political and trade union activities for the duration of their enlistment."

For the first time also in the army regulations pregnancy leaves are foreseen. In the regulations' special clauses and specifically in article 42 it is said that: "The pregnancy leaves of female military personnel are subject to the specific clauses pertaining to the Military Nurses' Corps." That is, all female recruits who become pregnant will be officially entitled to a pregnancy as well as to a delivery leave.

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## EXPERT COMMENTS ON BACKGROUND TO BRITISH DEFENSE TIES

Oslo ARBEIDERBLADET in Norwegian 18 Jun 84 p 6

[Article by Pal Nordenborg: "What Happened to the British in Norwegian Politics?"]

[Text] These days we remember the end of World War II. During and after the war Norway changed its foreign policy. From having no foreign policy at all, followed by a neutralism favoring the West, Norway took the step toward a formal alliance. The starting point was a close relationship with Great Britain.

But what has happened to the British in Norwegian politics today? ARBEIDERBLADET posed this question to Professor Olav Riste, a historian who, among other things, has gone through the war-time London government.

"If we consider the threat an enemy occupation of Norway would mean to Great Britain it is rather ironic that the British have less of a commitment to the defense of Norway than to the central lowlands of the continent," says Professor of History Olav Riste.

Riste has for almost six years led research at the Defense History Research Institute in Oslo. This institute, rather small compared with others engaged in contemporary historical research, is studying Norwegian security and defense policy after World War II.

[Question] Olav Riste, what has happened to the British in Norwegian [defense] policy?

[Answer] Even before 1949 Norwegians discovered that the British guarantee was not effective. The British themselves admitted that they were unable to render Norway military assistance. The Norwegian connection with the United States dates from 1948-49. The [Norwegian] government in London at the time attempted to interest the Americans in Norwegian Atlantic policy.

Trygve Lie

Except for some wavering, a rather straight line extends back to Trygve Lie who in 1941, in conversations with the American envoy to the Norwegian government in London, drew up a prospect for the future. Foreign Minister Lie thought that in time Norway would take the place in American air strategy that the country had held in British naval strategy.

[Question] Why did the British tone down the Northern area?

[Answer] There were several reasons. One is that the British are tied to their military obligations on the continent through the automatics of the Western European Union--an obligation, by the way, which I see as clearly political and of little military importance.

Another reason is that the British depend to such a great extent upon their independent nuclear weapons force. Today the British navy must find its place between these two considerations. So that, with the great strengthening of the Soviet northern fleet and a corresponding buildup of the American navy, the British role at sea is considerably smaller.

#### Changing Roles

Because of the changed power structure between the United States and Great Britain, the Americans took over the role the British had played for us; a role change that was rather obvious in itself, in Riste's opinion. With the great superiority of the American and British navies, nobody needed worry over the military situation at sea. NATO was weak on land and in the air, and as the situation is today there is no doubt that it is the United States that has the resources needed on the northern flank.

But, says Riste, geography should cause the British to be more concerned with the northern flank than with the continental threat, for the British are closer to a defense of Norway. He says that the idea behind a British officer in command at Kolsas [NATO Northern Headquarters] was just that of getting a ring into the nose of British defense forces, in the same way that an American representative at the Northern Command was to get a ring into the nose of the United States Air Force.

#### Close Relations

British-Norwegian relations also had a natural explanation. Riste points out that leading British and Norwegian politicians knew each other well. The Norwegian Labor Party and British Labor were close, politically as well. The Norwegians could no longer use the British as a channel to the United States. Now there has been a generation change in both places, and the two parties are farther apart.

"And it was not easy for the Norwegian government to induce the Americans to commit resources to the defense of Norway. Earlier American defense plans did not operate with realistic possibilities of stopping a Soviet

invasion of Western Europe. There was talk of withdrawal and re-conquest after an occupation, a rather long-range prospect, says Riste.

#### Much Foreign Policy

[Question] Is Norway comfortable in an Alliance?

[Answer] We have just passed a turning point in the history of Norwegian foreign policy. Since last year adherence to an alliance has taken over the place as the lengthiest tradition in our foreign relations, replacing neutrality.

There is considerable distance between the time when it was thought best for Norway to have no foreign policy to the present, when NATO considerations and oil and gas, as well as worries over our large economic zones have caused the impression to be gained that on a per capita basis Norway probably has more of a foreign policy than any other country.

However, even though historians are not supposed to predict the future, there is little to indicate, despite the solid majority favoring NATO membership, that the idea that our allies will defend Norway under all circumstances will fade away. Norwegians will doubtless continue to be torn between their sensible ties to the Western alliance and a certain nostalgia for automatic protection.

#### Fatalism?

But to think that the great powers will do as they please regardless of what happens Riste thinks is a fatalistic attitude, based on power relationships being the only things that count.

"The Norwegian government in London took the view that membership in an alliance was something more than power politics. It attempted to build up a relationship of confidence. This explains why Norway gained much more than power alone called for.

"Thus we historians must attempt to show to which degree this stress upon mutual cooperation has affected Norwegian security," says Riste. In any case, studies of the London government and the first postwar years have shown that the Norwegian working style has been effective. The question of whether this applies to the NATO period as well cannot be answered, due to lack of access to source material. "However," says Riste, "the difficulties of a policy based upon influence in the internal forums are obvious. It depends upon broad support in public opinion. And to obtain that support--how open must the response to that opinion be?

"Today this is obviously a problem for the present foreign policy leadership. But this question has come to the fore before as well, during the time of Lange [former foreign minister] for example. Public opinion can reasonably demand that Norwegian influence upon the alliance must be visible. But it must not degenerate into Norwegian self-assertion for domestic purposes.

Olav Riste recalls the words of Knut Frydenlund, who said that it should not be the task of a Norwegian foreign minister to kick in the shin the great powers to call attention to the independence of small countries.

## CANADIAN OFFICERS TELL NEED FOR PRESTORING OF ARMS IN NORTH

Oslo AFTENPOSTEN in Norwegian 4 Jul 84 p 8

[Article by AFTENPOSTEN Correspondent Lars Hellberg: "Canadian Officers Want Stockpiling in North Norway: Top-Equipped for Norwegian Winter"]

[Text] Petawawa, 1 June. The officers attached to Canada's Special Service Force are not given to fretting. But they make no secret of the fact to AFTENPOSTEN that they would have been more than happy to have seen an agreement regarding stockpiling of heavier equipment for the CAST brigade earmarked for the defense of North Norway.

"The job is a tough one, and it will not become easier that we in a crisis are dependent on transport of the brigade's heavier equipment by sea," General Robert Stewart admits. On the other hand, he points out that it is "splendid country" that the brigade has been assigned to defend.

The natural defense lines in Troms, which he, without disparaging Finnmark, characterizes as the alliance's foremost in the north, are in his opinion the best NATO is master over. In addition is the fact that the Canadian forces are better equipped for the Norwegian winter than any other NATO forces, our own included. The equipment is designed for far worse climatic conditions than the Norwegian winter can offer. The personnel received their basic training in more snow and more degrees of cold than our own standing forces in the north.

A secret report which leaked out the other day, true enough, maintains that the Canadian armed forces are beneath contempt. If the report is to be believed, the country's standing forces are not able to fulfill their obligations either on the homefront or with regard to NATO.

General Stewart, as do his officer colleagues, leave the responsibility for stockpiling and the frequency of exercises in North Norway to the politicians. But with his experience from exercises in Troms, he makes no secret of the fact that he would view the situation more brightly if the heavier equipment were already in place in North Norway. More frequent exercises are also on his list of wishes.

The mobilization plan for the CAST brigade, in its major features, looks like this today:

The first batallion can be in position, in full fighting trim, in the course of seven days from the moment the force is mobilized for action in North Norway. Personnel have standing orders to report to the shipping-out station within 72 hours. The first force includes a tactical air squadron consisting of 20 fighter planes.

The entire brigade, including an artillery battery and engineer troop, can be in position with all its heavier equipment in 30 days.

But the arithmetic stands and falls with the alliance's having air superiority in the north and being able to keep the sea routes over the Atlantic open. Not even the largest of the alliance's transport planes can today take care of transport of the heavier equipment in a crisis situation.

The Canadians, on their part, do not doubt that their mobilization plan will work as supposed, although distances are enormous in the world's next largest country. But the result is again dependent on a combination of warning time and political will, both here and there, to make the necessary preparations while there is still time for this.

None of those we talked with feel earmarking for the defense of North Norway as a burden. On the contrary, several say half seriously that the earmarking for North Norway is an advantage in light of the fact that the Norwegian base policy effectively bars the permanent stationing of Canadian troops in Norway. But if they are called upon, they are ready to come to our aid. Those who have already been in Troms feel at home there.

But they all without exception are painfully aware of the fact that the job will not be easy; this is especially true if the alliance is exposed to a surprise offensive in the north. The pressure to reduce the time it will take to come to Norway's aid is increasing. But regardless of how extensive the stockpiling of Canadian equipment might be, the alliance will to some extent be dependent on transport by sea.

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## MANY IN SDP OPPOSE CALL FOR STRONGER DEFENSE

## Thunborg Announces Party Stand

Stockholm DAGENS NYHETER in Swedish 12 Jul 84 p 8

[Article by Claes Leo Lindwall]

[Text] Sweden's neutrality policy requires a strong defense. So said the executive committee of the Social Democratic Party in its proposed guidelines for security policy which were presented on Wednesday.

"The party committee strongly rejects unilateral Swedish arms reduction," Defense Minister Anders Thunborg said at the press conference.

If the party committee stressed the role of defense more strongly in the new guidelines than it has done in past years, the defense minister emphasized this even more clearly at the press conference. It may also have been a signal that the defense minister alone presented the program to journalists.

At the last party congress 3 years ago they talked of a reduction of military spending in "real terms." That phrase cannot be found in this year's program.

Anders Thunborg explained that an analysis of the current international and strategic military situation led them to a different conclusion.

"Cold winds are blowing in relations between the superpowers," said Anders Thunborg. "Almost no progress has been made in arms reduction in recent years. There are big problems in the area of multilateral diplomacy."

That is the background that influenced the guidelines, according to Anders Thunborg.

"That is why the party committee placed very strong emphasis on Sweden's policy of nonalliance and Sweden's role when it comes to creating confidence and calm and stability in our part of Europe. In the area of Swedish security policy this involves guarding Swedish independence and

adapting the steps we take to the realities of power politics and military policy in our part of the world, especially in our immediate vicinity. At the same time it involves trying to make our region better and more peaceful. We must not give up our efforts to bring about international settlements, to arrive at a point where the power blocs are talking to each other and to make progress in the area of arms reduction."

#### Two Dimensions

In the view of the Social Democrats those are the two dimensions in Swedish foreign and security policy. On the one hand to try and do what we can to create a more secure and more stable world, while on the other hand guarding Swedish independence and Sweden's role in the realities of power politics in northern Europe. These two things must go together.

Anders Thunborg made this comment on the opinion of Soviet general and arms reduction expert Michail Milstein that tension has not increased in Scandinavia:

"The Soviet Union has two-thirds of its second strike capability at the Murmansk base and then we have NATO's counter measure involving the stockpiling of materiel. The same thing applies when we look at activities in East and West with respect to reconnaissance, signal reconnaissance and so forth. Our assessment is that the military presence of the superpowers has definitely come even closer to us."

A number of petitions to the party congress have been submitted that call for Sweden to begin a program of arms reduction. The party's executive committee rejected this.

We cannot have a unilateral Swedish arms reduction, according to Anders Thunborg. This must come about through international agreements.

"I do not have any confidence at all in the belief that Sweden could disarm unilaterally and thereby set an example for the rest of the world. We have had lots of debates of this kind in Swedish politics, for example on our South African policy. I have not seen anyone who followed our example."

Anders Thunborg did not think the risk of a war in Europe is very large. It is too dangerous with the weapons available. But if things go so insanely that a war does break out, northern Europe will be affected at an early stage.

#### Strong Defense

"We have a strong total defense," said Anders Thunborg. "Civil defense is strong too. We have between 5 and 6 million shelter spaces. Look at how this compares with the rest of the world!"

He also said that total defense has not been left emptyhanded in relation to military defense during the last 20 years. On the contrary, one might almost say. Concerning the low level of readiness in "Summer Sweden," he asked these questions:

"Is there a danger that war will break out tomorrow? Are we threatened with an invasion?"

He said he had visited one of the air wings that was supposed to be closed for the vacation.

"A couple of planes stood ready there. Training is what is being suspended just now."

The navy's guarding of the coast is good too, he said. But he had talked to OB [Supreme Commander of the Armed Forces] about how to improve readiness.

"But do not launch a campaign that will result in the people of Sweden thinking war is about to break out. That is not the case. Our defense system is not there in order to keep an eye on each little sailboat."

He also commented on the Conservative view that the Soviet Union is no longer interested in Sweden's neutrality policy.

"Sweden's neutrality policy must have the confidence of the rest of the world but we do not make our plans according to what the rest of the world says. If we did, our neutrality policy would be weathervane policy. If the big powers said, 'That is not neutral,' and we adapted ourselves to that, they would be the ones making the decisions.

"That is why we say that we are the ones who determine our neutrality policy. The important thing is for the big powers to be confident that in the event of a war Sweden would do this or that. We believe that the other nations make their plans according to that. I have no reason to think others would distrust us on that score."

#### Talks Needed

He said he believes in talks between power blocs but that the conditions needed for a nuclear-free zone were very inadequate just now.

He also stressed the need for a Swedish weapons industry. Although this is a very small part of industry it means that most of our weapons are designed in this country.

"We must be extremely restrictive when it comes to exporting weapons to other countries but one of the hardest questions I am asked by friends in the Third World is why they cannot buy weapons from us.

"Naturally we would prefer to sell arms to countries that don't need them," he added."

Does Sweden have a cost-effective defense? Is the money we provide for defense used in the best way?

"Defense is always a burden," said Anders Thunborg. "It would be better if we could avoid having a defense system so we could use this money for something else."

But does he feel that money is being used in the best way in the Swedish defense system?

"Well, I am the minister of defense. And I have helped to introduce the new systems. I would be in a hopeless situation if I did not think we were doing our best. And I certainly do not have a guilty conscience. We do the best we can with the resources at our disposal. Things are not that bad. Especially if one does not know how things are in other countries. I do not think we need to feel too apologetic. In some areas we are actually doing fairly well."

#### Increasing Soviet Attention to North

Stockholm DAGENS NYHETER in Swedish 12 Jul 84 p 2

[Editorial: "Return of the Hedgehog"]

[Text] We have scarcely become alarmists after what has happened in recent years. Foreign observers are quite wrong there.

The Swedish debate is not full of anxiety about submarines and feelings that the country is subject to external pressure. But it is characterized by a somewhat stronger spirit of preparedness. This was quite apparent from Defense Minister Anders Thunborg's presentation Wednesday of the SDP executive committee's guidelines for the fall congress on the subject of "peace and security." "Defense" would have been a more appropriate heading.

Defense and security policy should not be formed according to shifts in the foreign policy situation, it is usually said. The direction should be long-term. Of course this is quite correct when it concerns such things as the development of new weapons that must function far into the next century. But the argument is somewhat theoretical. We are all influenced--and very quickly at that--by changes in the outside world and in the international climate.

The world looks a little darker because of the chilly relations between the superpowers and we feel a little more exposed due to developments in military technology and the series of violations of Swedish territorial

waters. Therefore the fact that the tone of the SDP leadership has changed compared with 3 years ago is not strange or entirely unexpected, but it is of great political significance even so.

What the party committee stressed most prior to the 1981 congress, the importance of an energetic international arms reduction and solidarity policy, is also included now. But the tone is quite different. There is mention of the firmness of the alliance-free foreign policy which "to be credible must be backed up by a strong and well-balanced defense." The defense minister's personal involvement in the presentation--which revealed considerable talent for effective phrasing and pauses--certainly contributed to the impression that new winds are blowing in the party.

To say that Thunborg has again revealed himself as a representative of the Social Democratic right wing is to give a false dimension to the matter. He was actually speaking on behalf of the entire party committee. It is also a little too simple to note that the Social Democrats have now adopted a Conservative defense view on security policy. For one thing a remark was made about people who allegedly "created uncertainty about the Conservative position on the neutrality policy." For another Thunborg emphasized that the Social Democratic security policy has two dimensions: 1) guarding national independence and 2) attempting to make the rest of the world better and more peaceful. The Conservatives talk almost exclusively about only one thing, our military security policy.

The Social Democratic goal is certainly not the "fortified poorhouse"; on the contrary they underlined the need for both a functioning economy and social equality as fundamental common values.

The most important thing for the Social Democratic defense debate is that the party leadership is not, as was the case in 1981, talking about a redistribution of the military defense budget to other parts of the total defense system and is no longer describing the goal as a reduction of military appropriations in real terms.

"We have a different opinion than we had then," Thunborg said austerely on the second point. With regard to the first point he spoke of an "incorrectly asked question" and an "extremely artificial debate." In any case this must be a somewhat bitter pill to swallow for Social Democratic groups who regard themselves as upholding a party tradition of criticizing defense.

Now one should not think that this means the government party is prepared to provide billions more for defense in the future. In his directive to the OB in connection with his plans for the 1987 Defense Act, Thunborg gave a spending framework of present-day dimensions. Rather than provide money he will make tough statements, intended to create the impression of firmness on the part of the famous old Swedish hedgehog: Defense is "not bad," submarine defense has improved, etc. Much of what he says is controversial within the party.

With the situation in South Africa as a conspicuous warning, the party leadership flatly rejected the demand for unilateral Swedish arms reduction--it would not be followed up by other countries. International bans on arms transactions are rejected as both unrealistic and wrong. And the remark that "We are glad we have a Swedish defense industry" was a challenge to some friends of the party.

In carefully conceived statements, Anders Thunborg swept aside Soviet security expert Milstein's claim that Soviet strategic interest in the Nordic region has not increased. It can certainly not be said too often that we do analyze the reactions of the outside world but determine our own security policy without making adjustments to what other countries happen to say.

Formally these remarks were addressed to Thunborg's own party members. Let us hope that the signals go further to reach others outside our borders. Yes, to them in particular.

#### Thunborg on 'Star Wars'

Stockholm DAGENS NYHETER in Swedish 13 Jul 84 p 2

[Editorial: "Good Speech to Pugwash"]

[Text] Sweden's determination to ward off submarine violations has been demonstrated more clearly than ever to an international forum. It is well and good that Anders Thunborg took the opportunity to say this at the Pugwash meeting in Lapland.

In Thursday's speech on national security and nuclear weapons the defense minister confirmed his ability to go straight to the essentials. It was definitely not a speech noted for personal modesty. Thunborg reminded his audience of his own earlier contribution as the person responsible for the UN study of nuclear weapons some years ago. Evidently he wants to present his own profile just now. After all there is no one else in Swedish government circles with his detailed knowledge of and long familiarity with this material.

An excellent example was the defense minister's discussion of Reagan's space defense against ballistic nuclear weapons--the "Star Wars" concept. He did not yield to the temptation to utter a general condemnation and wail about the risk of a new arms race, but noted quite coolly that the system could not work as intended. It would not guarantee international peace and stability and it would not reduce the risk of war. As far as we know this stand is the clearest to date on Sweden's part.

With a firm emphasis on the need to handle crises and to avoid unstable crisis conditions in particular, the defense minister called attention to

the danger of "modernizing" nuclear weapons; often this means a shorter warning time and less room for supervision and second thoughts if something goes wrong. A freeze on current nuclear weapons arsenals, which Sweden has supported, would contribute to increased stability, according to his argument. At a time of equality between the superpowers in the area of nuclear arms it could be more important to prevent one's opponent from making a wrong guess than to keep him constantly in the dark (the classic idea), Thunborg pointed out.

It is to be hoped that similar thinking will eventually provide more than a small shove in the right direction for the Stockholm conference on measures to create confidence and security. This can also be found in the concept of "mutual security," that modern Swedish refrain taken from the Palme Commission, with which Thunborg concluded his speech.

Naturally these words were especially appropriate to address to the defense minister's audience. The Pugwash conferences, which are attended by scientists from different blocs, represent the very earliest attempts to achieve mutual security in the nuclear age.

Unfortunately it begins to look as if the original idea has been blurred. Among the participants this time were many representatives of national defense institutions and experts on the civil service level. Do not eliminate the independent researchers--the only ones who can give the Pugwash meetings their special character in the context of security and arms reduction.

#### Leaders From Other Parties Comment

Stockholm DAGENS NYHETER in Swedish 13 Jul 84 p 9

[Article by Eva Stenstrom]

[Text] The SDP executive committee's statement that Sweden's neutrality requires a strong defense led to mixed reactions Thursday. Reportedly the chairman of the Women's League, Maj-Lis Loow, and Evert Svensson of the Brotherhood Movement also backed the party committee's decision. Both organizations are usually quite cool toward defense efforts.

Bildt (Conservative): Too Late

"They have come to their senses a little late when it concerns defense, but this is probably not enough.

"Since 1979 and 1980 the general public has had increased awareness that the Swedish neutrality policy calls for a strong and reinforced defense

system. The Social Democrats are still lagging behind public opinion-- they were still downgrading military defense in 1981."

Hammar (Left-Party Communists): Back to the 1950's

"The talk about a military effort and a strong defense is reminiscent of the tone of the 1950's. We think this is a step backward.

"We certainly need to increase our security, but not by increasing purely military spending. An even more determined effort to achieve detente is important--toning down the political side is not right.

"It would be more appropriate to put more emphasis on civil efforts, for example the problem of domestic energy supplies."

Bjork (Center): Detecting a Shift in Public Opinion

"It would be political suicide not to take this stand. The Social Democrats have detected where public opinion stands and it is extremely favorable to defense.

"But we do not yet know how much the talk about a strong defense is worth. Not until we find out how much money is involved.

"What is surprising is the duplicity in the Social Democrats' political attitude--they are playing a double game."

Wikstrom (Liberal): Sober Wing Won

"We think it is good that the Social Democrats have come to their senses. This is a realistic defense stand.

"The sober wing of the party has won a victory. It sees the connection between the civil and the military efforts.

"I think the submarine violations and other things have led to the Social Democratic stand. And it is also a result of the defense agreement last winter."

#### LO Secretary Opposes Stand

Stockholm DAGENS NYHETER in Swedish 13 Jul 84 p 9

[Article by Claes Leo Lindwall]

[Text] Sunne, 12 Jul--The Social Democrats should continue to work for a reduction of defense and the defense industry.

That was the view of Margareta Svensson, LO [Swedish Federation of Trade Unions] secretary and vice chairman of the labor movement's peace forum.

At this time Margareta Svensson is attending the ABF [Workers' Educational Association] summer festival in Sunne, Varmland. She has not yet read the final proposal on security policy which the SDP executive committee issued on Wednesday. But she is dubious that the committee now wants a strong defense and a retention of the defense industry.

"In recent years the arms industry in Sweden has had a decreasing share of production," she said. "That is a course we should continue to follow. We must discuss a changeover from weapons manufacturing to peaceful production."

"I am aware that this cannot be done overnight, it will take a long time. But even in the Metalworkers' Union, where a large group of people is affected, there is an awareness that something has to be done here."

She referred to Inga Thorsson's study of how resources from the arms industry should be redistributed to civilian production, among other things.

She also felt the Social Democrats should stick to their old line when it comes to defense spending—a line calling for reduced costs.

Does she feel she can speak for LO as a whole on this question?

"I don't know about that," she said. "I think both trends can be found in the LO ranks. The submarine violations increased the need to stress a strong defense, in the view of many people"

She said the heated political situation now makes it easy to discuss a strong defense, but it is more important to see to it that we follow the old plan.

#### Thunborg: Nordic Area Increasingly Vulnerable

Stockholm DAGENS NYHETER in Swedish 13 Jul 84 p 9

[Article by Anders Mellbourn]

[Text] Kiruna, 12 Jul--Strong emphasis on the increased strategic importance the Nordic region has for the superpowers. A resolute statement of Sweden's determination to put an end to submarine violations. An appeal to the nuclear powers to improve their contacts and mutual controls so that a nuclear war cannot be started by mistake.

The tough new tone on defense policy and the cool analysis of the world situation on the part of the Social Democratic leadership were already

apparent on Thursday when Defense Minister Anders Thunborg spoke in Kiruna to the 150 scientists and security policy experts who are gathered for a conference this week in Bjorkliden with the so-called Pugwash movement.

Many of the defense minister's statements from his presentation Wednesday of the Social Democratic Party committee's proposed stand on peace and security at the upcoming party congress were recognizable when Anders Thunborg spoke to the international audience.

But when submarine violations were concerned in particular, the defense minister went farther than the statement from the party committee.

"The inviolability of our borders will be defended with all the means available to us. We are firmly resolved to create an effective barrier against alien incursions. The risks run by an intruder are now increasing step by step."

No Swedish cabinet member has taken up the subject of submarine intrusions so outspokenly at an international conference before this. The Pugwash movement is a voluntary association of researchers and has no formal government status.

But it is highly regarded as a meeting point between East and West and ideas are often tried out at Pugwash meetings which are later brought up in formal negotiating sessions between the great powers.

Therefore it is noteworthy that the defense minister of the host country, Sweden, chose to discuss Swedish security problems in such detail and referred to the submarine violations to the Pugwash delegates. Especially since Sweden has never before mentioned the submarines in front of international organizations or conferences.

Anders Thunborg's speech in Kiruna developed into a broad statement on security policy. It more closely resembled a foreign minister's speech than one by a defense minister. Incidentally, Foreign Minister Lennart Bodstrom is not taking a summer break at the moment but is working with the defense minister as part of this week's vacation cabinet.

The defense minister started his statement to the Pugwash meeting by sketching out the stable political situation in the Nordic area in the postwar period, when "Sweden's policy of neutrality, supported by a defense system that must be regarded over the years as strong for a small country, played an important role." He then went on to discuss northern Europe's increased strategic importance.

The defense minister put most of the blame for this on the Soviet naval buildup in the North. NATO later responded with a number of steps. The defense minister viewed the submarine intrusions in Swedish waters and other things in this strategic context.

The Swedish defense minister also warned against any idea that nuclear weapons are militarily useful in a war.

#### SDP Women's Group Hits Program

Stockholm DAGENS NYHETER in Swedish 14 Jul 84 p 7

[Article by Bo Westmar]

[Text] The Social Democratic women are ready to take up arms over the new security policy. This means that the party committee's proposal could be defeated at the party congress this fall.

"We still support a redistribution in favor of civil defense," said Women's League secretary Gerd Engman.

"Anders Thunborg's statement came as a complete surprise, but it is possible that the defense minister stressed other things than the party committee as a whole," she said.

Many of the motions submitted to the Social Democratic women's congress in mid-August deal with continued efforts in peace activities and civil defense.

"We stand firmly behind our earlier line. We want arms reduction in the form of a redistribution of funds to civil defense. For example there is a shortage of a lot of protective equipment today, such as protective masks for adults and protective bags for infants.

"Swedes are also poorly prepared psychologically for a future war. Funds available today for educational activity on current security efforts are only a fraction of the target of 1/10th of 1 percent of defense funding."

If the SDP executive committee maintains that a redistribution of resources from military to civil defense is impossible, the Women's League will be forced to act at the party congress in the fall, according to Gerd Engman. In such a conflict it is far from certain that the party committee's line would prevail.

"Anders Thunborg's statement indicates a clear shift compared with the last party congress when people were saying that defense also belonged to the areas that would be affected by cutbacks. Now we must ask if this has really happened in view of the JAS [combined fighter-bomber-reconnaissance plane] and other costly projects.

"We do not want to do away with military defense, but we feel that the altered threat in the world makes it even more appropriate to stress civil defense," said Gerd Engman.

Maj Lis Loow, chairman of the Social Democratic Women's League, could not be reached for comment. She is only an associate on the party committee and thus does not take part in the decisions it makes.

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## GERMAN FIRMS SEEK TO REGAIN LOST OPPORTUNITIES IN ASIA

## Japanese Dominance Major Obstacle

Hamburg DIE ZEIT in German 15 Jun 84 p 25

[Article by Hans Otto Eglau]

[Text] The leaders in politics and industry themselves did the honors: Minister for Economics Otto Graf Lambsdorff appeared in South Korea, Minister for Economic Cooperation Juergen Warnke in Singapore, and Foreign Minister Hans-Dietrich Genscher in Thailand, while in his last visit abroad Federal President Karl Carstens went to Indonesia and Thailand. Only some 4 months previously, in the Indonesian capital of Djakarta Chancellor Helmut Kohl had expressed Germany's interest in this island country, which numbers 154 million inhabitants.

At almost the same time, a 20-member industrial delegation headed by BDI [Federation of German Industries] President Rolf Rodenstock toured Singapore, the Philippines, and Thailand. "At present there is a veritable stream of pilgrims into this region," is how Herbert Brenke, spokesman for the management of the firm Thyssen Rheinstahl Technik, characterized the travel activities of recent months.

But at the present time not only persons having an official capacity are being drawn with seemingly magical force towards Southeast Asia. In April, large numbers of exhibitors at the German industrial exhibition took advantage of their Tokyo trip to make side jaunts to Korea. "At that time, more top people went to Seoul than in the entire 3 years previously," reports Florian Schuffner, executive secretary of the German-Korean Chamber of Commerce.

The airlines are reporting everywhere splendid records for ticket sales. "On this route you often have difficulties even getting a seat," reports Joerg Wiegand, partner in the Allgaeu firm of Oberland Glas, which specializes in turnkey glass factories and which has a good business going with Thailand above all. Encouraged by the lively business tourism, beginning this autumn Deutsche Lufthansa will also have flights to Korea. Peter Jungen, head of the Cologne industrial equipment group of PHB Weserhuetten: "Right now, Pacific Asia is in."

There are comprehensible reasons why it is just now that the Germans are discovering as a future market those countries which are aligned in the ASEAN [Association of Southeast Asian Nations] community--Indonesia, the Philippines, Malaysia, Singapore, and Thailand--as well as the advanced "threshold countries" of Korea, Taiwan, and Hong Kong: Above all the internationally overindebted states of South America are for the time being out of the picture as buyers of industrial goods Made in Germany; and as a consequence of falling oil yields, the stream of orders from the Near East is flowing only in a trickle. At the same time the experts predict a future economic growth for the countries bordering on the Pacific at levels supposedly far beyond those of West Europe.

If one considers that the ASEAN market, which numbers 266 million people, "has had the highest growth rates for 10 years now, aside from the Persian Gulf states, then it is clear that we are arriving very late," Jungen said in criticizing German industry's lost opportunities. In point of fact, in contrast to the nouveau-riche Near East countries following the oil-price explosions of 1973 and 1979, the markets of Southeast Asia are for the most part already firmly in the grip of our sharpest competitors. In all the countries in the region, Japanese and Americans rank in the first two places in exports, ahead of the EEC. The sole exception is found in Indonesia, where in 1982 the Europeans were in second place, with a share of 18.2 percent, behind the Japanese (28.3 percent). They rank among the "also-rans" in of all places the already most developed markets: In Singapore all Europeans together score only 10.3 percent, in Taiwan 7.2 percent, and in South Korea only 6.8 percent.

It is true that the FRG is the largest exporter to Southeast Asia among the EEC countries. Nevertheless only a meager 2.7 percent of all German exports go to this region. Even more disturbing is the fact that for years now our immediate neighbors have been making up ground fast: Although German businesses were able to increase their deliveries by 119 percent from 1976 to 1981, concurrently the Italians, for example, noted a plus of 216 percent within the same period.

The weak presence of the Europeans in the future Pacific market becomes even more blatantly manifest when a comparison is made of direct investments. Europeans have a share of only 14 percent in the accumulated investments of foreign investors, and thus they are behind the Americans at 16 percent and the leading Japanese, who score 32 percent. Of German foreign investments, a puny 1.3 percent pertains to the ASEAN area.

Following a strategy which has been coordinated between government and industry down to the smallest details, in their own backyard the Japanese have brought entire industrial branches largely under their control. They undoubtedly have succeeded in this the most conclusively in the automobile industry. Three fourths of all imported passenger cars come from Japan. Moreover the local producers are dependent on the leading Japanese concerns to a considerable extent. Thus, for example, in Taiwan five of the seven vehicle manufacturing firms are under the direct influence of their big brother through close cooperation agreements.

But that is not yet the end of the matter: True to the predominant model, this branch of industry is divided up according to the principle of vertical concentration, in which an entire circle of producers of parts is grouped around the factories as exclusive suppliers. Most of the other regional automobile markets have been subject to Japanese influence to a comparable degree. Thus Malaysia is planning to build a "national" passenger car which is supposed to be rolling off the assembly lines of a joint company in which Mitsubishi has a 30-percent control, and which is supposed to reach a market share of 60 percent in its final stage.

Their nearness to the neighboring Asian markets allows the Japanese to gain exporting advantages over their competitors in the West, in that they are a major purchaser of raw materials, above all of crude oil and agricultural products. In this connection they are able to rely on the capability and experience of their large commercial concerns, which in close association with industrial and banking interests having many branches transact even the most difficult package deals and financing arrangements practically under a single roof.

In order to protect the markets off its shores against Europeans and Americans, the Japanese also do not hesitate to offer credit terms so favorable that they cannot be matched for the financing of contested major orders. Thus, for large-scale projects in Thailand and for the billion-mark scheme to construct a subway in Singapore, they offered loans having a term of 30 years with only 4.5 percent interest, and conceded into the bargain 10 redemption-free years as well.

The result: In the awarding of contracts the Europeans have been left out in the cold. Thus "if the Japanese concentrate on using the means available to them," observes Thyssen manager Brenke in disenchantment, "there is little we can do about it." Thyssen obtained the contract for the construction of an aromatics factory in Indonesia only because favorable financing arrangements were put together outside the FRG—but at the price of placing delivery orders in those countries from which these loans come. Wolf Carstanjen of the Hamburg private banking firm of Warburg, Brinckmann, Wirtz & Co., who is a credit expert with 5 years of experience in Indonesia: "In this case, not one screw more is coming from Germany."

The Europeans also must struggle against ever harsher competition in the awarding of scarce power plant contracts. Thus at present almost all the leading world suppliers are competing for the construction of two coal-fired power plant units of 400 megawatts each in Indonesia—from General Electric and Westinghouse to Mitsubishi, the Italian firms of Ansaldo and Franco Tosi, the British company Parsons, and up to the BBC [Brown Boveri & Cie] and the Siemens subsidiary KWU [Kraftwerk Union].

In the case of conventional power plants, less and less often is there anything to be gained for the Germans; instead, Japanese concerns such as Mitsubishi, Hitachi, and Toshiba are taking in contracts practically by the dozen. On the other hand, in business involving nuclear power plants, where for the time being the Japanese are not yet supplying the entire plant but only separate components, the Germans have the Americans above all to

contend with. Thus, of the nuclear plants which have already gone into operation or are planned in Korea, Westinghouse has the credit for six, two were delivered by the French, and one heavy-water reactor was supplied by the Canadians.

In Taiwan, the second land in Southeast Asia which has already entered the atomic age, by using political pressure Washington has managed to get for its own industry all six of the nuclear power plant contracts awarded so far. Also additional competition is developing for the Europeans from the region itself to an ever greater degree. Thus through the Hyundai concern the Koreans themselves are involved by now in the power plant business, and as their industrial and trade minister Kum confided to German businesses in a visit to Bonn just the week before last, they want to step up the expansion of their machinery and electronics production in coming years, with a view towards exporting to the less developed neighboring markets.

Thus for the EEC's industry the battle over the Pacific markets against competitors operating from out of a more favorable strategic position is developing into a game of catch-up on a steep mountain. Therefore a "crash-program strategy for the long term" is being demanded by Carl-Heinz Illies, copartner of the Hamburg trading firm of C. Illies & Co., whose domain is exports of German machinery to Asia. But without a stronger presence in this region, it is unlikely that much ground can be made up. The chief of Weserhuetten, Peter Jungen: "These markets cannot be held on to any longer through traditional exports." "

However, trying to follow this well-meant advice often presents insuperable difficulties in practice. Although the rulers in these Pacific countries do not miss hardly any opportunity to invite their European guests to make larger direct investments, at the same time most of the countries in the region scare off foreign investors by way of a thicket of aggravating, frequently even discriminating regulations and conditions.

Even in Indonesia, where German technology is highly regarded--under the administration of its industrial minister, Professor Habibie, who was educated at Aachen Technical College and later rose to the position of project-planning chief at the Hamburg Aircraft Works (today a part of the MBB [Messerschmitt-Boelkow-Blohm] group)--companies from the FRG meet with "a profusion of obstacles to investment," according to the Association of German Machine-building and Plant Construction. It is not merely the fact that after 10 years the foreign investor must limit his share in a joint venture to a maximum of 49 percent and is forced to buy from local subcontractor firms. It seems almost grotesque that the officially courted foreigners often have great difficulty in obtaining a work permit for the managers whom they have sent to this country, because the Indonesians prefer to do everything themselves.

But the fact that when the Europeans are offering leading technology they always have good sales prospects even in Southeast Asia is shown by the export successes in their aircraft industry. With the selling of a total of 48 airplanes of the type Airbus A 300 in seven countries of this region (only Hong Kong has remained a blank area), the late starters in the jet age

have managed to make a noteworthy breakthrough against the established market leaders Boeing, McDonald-Douglas, and Lockheed. Moreover, Airbus partner MBB is allowing its helicopter BO 105 to be built under license in the Philippines and in Indonesia and has just made arrangements with Djakarta for the establishment of a joint project-planning firm for the construction of a smaller version of this helicopter.

However, despite such successes and increased efforts, German industry's prospects of drawing closer to the leaders with its game of catch-up in the Pacific are anything but rosy. "If it is not possible for us to find products in these countries which we can buy at competitive prices," according to Ferrostaal chief Singer, "it is unlikely that we will be selling substantially more there." Besides, for the time being most of the countries in this region have completely canceled or at least postponed attractive large-scale projects for lack of cash. Thus to realists such as Singer the entire Pacific euphoria seems rather starry-eyed. "We can be thankful," according to the Ruhr manager with the Austrian passport, "if we can hold on to what we have."

#### Mannesmann Tries Joint Ventures

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 24 Apr 84 p 19

[Excerpt] With only about DM 35 million annually in deliveries to Japan, up to now Mannesmann has had a relatively weak presence in the Japanese market. As things now stand, this situation is expected to change in the future. It is true that initial contacts between Mannesmann and Japan can be traced back to the turn of the century. But the stronger Japanese industry became in past years, the more Mannesmann's business in Japan switched over from machinery and equipment deliveries to engineering contracts. Weisweiler, the firm's president, does not criticize this development, since in his opinion this is not unexpected for such a highly industrialized country as Japan. Nevertheless in the coming years Mannesmann wants to make up for lost ground. Aside from engineering contracts, this is supposed to happen above all with deliveries in all those fields where this concern holds a particularly strong competitive position. This includes, for example, the hydraulic systems for extremely heavy construction machinery. But it also includes testing equipment for power-plant engineering. The sort of pipe deliveries with which the Mannesmann business in Japan began--for both civilian and military purposes--is no longer possible today, as a rule. By now, the strength of Japanese industry in this area is comparable to that of the former master Mannesmann.

Today Mannesmann is committed to three joint ventures in the Japanese market. In the field of oil hydraulics, the Japanese business Uchida is the partner. In heavy machinery building and plant construction the parties in question are the Japanese companies Hitachi Shipbuilding & Engineering Co. and Nichidoku Heavy Machinery. But the modest volume of its Japanese business must not obscure the fact that in the entire eastern and southeastern Asia area Mannesmann is relatively strongly committed. After all, inclusive of Japan Mannesmann's deliveries in this region amount to about DM 600 million per year by now.

## EFFORTS TO COUNTER POPULAR FEARS OF COMPUTERS, TECHNOLOGY

## Poll Explores Computer Anxiety

Bonn DIE WELT in German 16 Jun 84 p 3

[Article by Dieter Thierbach]

[Text] The Germans' attitude toward computers is equivocal: 34 percent are of the opinion that use of computers is likely to bring advantages; 23 percent rather expect drawbacks. A full 43 percent waver in their evaluation; they cannot decide on a reply. These figures come out of a representative survey by the Gesellschaft fuer Mathematik and Datenverarbeitung [Association for Mathematics and Data Processing] (GMD).

The vast majority of the population look upon the smart calculators--sheet metal morons blossoming forth as intelligent animals--as a means for making work easier and staying competitive economically, but at the same time regard them as a surveillance tool and job annihilator. Additional major accusations are: surveillance and control, loss of privacy and dehumanization in the sense of a loss of importance of human qualities in a great many areas of life.

Modern technologies make the environment more complex, and people react with feelings of anxiety. It is surprising that only 13 percent of the persons asked think of anxiety when the key word computer is mentioned. This result contradicts the results of numerous previous surveys, in which massive fear was noted, particularly often in women, younger persons, and workers.

Computer anxiety appears to show a special quality of diffuse and ambivalent nature. Taking this apart, the present study shows that anxiety occurs with equal frequency in men and in women, and among persons with superior education and high professional status. According to statements by demographers, it is to be emphasized that data processing equipment does not have a dominating anxiety-producing effect. The person surveyed scarcely related it negatively to the three most important things in life: health, safety and security, and recreation. Only for the fourth most important category, the fostering of human contacts, was a negative relation obtained for the first time.

Technology and the future of mankind are increasingly evaluated with pessimism. Whereas in 1966 the relation between blessing and curse was still 72 percent to 3 percent, in 1981--year of the last survey--a relation of 30 to 13 percent was found. Here the share of undecided persons tripled. It is of interest that persons polled who have computer work experience generally evaluate their electronic opposite number more positively than do persons polled who have never worked with "such a thing."

The recommendation of the study is as follows: direct, personal experience with modern calculators; from this it would become apparent that everyone can derive advantages from the use of computers. It should be made clear that it is not the technology, but rather the marginal conditions of the use of the technology, which is essentially responsible for negative effects.

In comparison with other leading industrial nations, it appears that Germans have been especially impressed with the worst view of computers. This could be one reason why the climate for innovation--which already is at a barometric low--is certainly not positively influenced in favor of new information technologies.

#### Unemployment Feeds High-Tech Hostility

Duesseldorf DIE WELT in German 5 Apr 84 p 6

[Text] HANDELSBLATT, Wednesday, 4 April 1984, hjs Bonn--The technology race between the western industrial nations, chiefly the United States, Japan and the FRG, has all the earmarks of an "economic arms race." This view was held by the policy research speaker of the SPD Bundestag fraction, Ulrich Steger, at a function of the Friedrich Ebert Foundation on the subject, "Economic Policy in the Eighties."

Microelectronics, said Steger, is unanimously considered to be a key technology in all the different strategies with which the individual countries try to accelerate technological development as compared with purely market economy conditions, in order to achieve a lead in the race. In his estimation Japan and the United States are just ahead of the FRG; the remainder of Europe is farther behind.

In this race, Steger thinks, a leading position such as this can be lost "relatively rapidly." Therefore, the question is not whether industrial policy is made for advanced technologies, but why and with what aims this industrial policy should be organized.

Steger described the SPD's industrial policy concept as follows:

--Conversion of productivity gains through application of microelectronics to reduction in working house.

--Adaptation of worker participation rules to the newly created problems.

--Humanization of work, organization of work for more worker participation possibilities, qualification through education and further education as prerequisites for acceptance of the new technology.

--For new engineering applications, "positive goals" are to be established. In microelectronics this involves the possibilities of energy savings and environmental protection.

Steger cited the following as elements of industrial policy in applications of microelectronics: engineering analysis, restructuring of the research climate to accommodate the new technology, inclusion of public inquiry in the innovation strategy, chiefly in the area of information and communications systems, as well as effective technology transfer.

The research policy speaker of the SPD fraction designated as "risks of conservative strategy" a growing hostility toward technology which is not created by pessimism about civilization, but by growing unemployment, downgrading and worsening of work conditions. The trade unions' warnings against letting research and technology policy degenerate to nothing but efficiency improvement support are to be taken seriously. At the Friedrich Ebert Foundation's meeting Guenter R. Koch, managing director of Biomatik GmbH [Biomatrics, Ltd.], and thus representative of a young, technology-oriented enterprise, spoke of the experiences and prospects which an "innovative entrepreneur" goes through. Koch emphasized that the government can and should render assistance in developing what the goals should be, but for marketing it should rely on private enterprise.

The policy of the Federal Ministry for Research and Technology has been, in Koch's view, "frittered away up to now." After reviewing the most recent government report on information technology, he has to register doubts. This has once again become "a collection of individual points of emphasis." This publication represents the result of several precursor memoranda, in whose drafting not a single recently founded enterprise participated. In the end, therefore, only the interests of "big research" found expression in the report.

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CSO: 3620/362

## STRONG GUEST WORKER SUPPORT FOR METALWORKERS STRIKE

Hamburg DER SPIEGEL in German 25 Jun 84 pp 90-91

[Article by SPIEGEL editor Michael Schmidt-Klingenberg: "'We Feel We Are Being Treated Like Animals"']

[Excerpts] The little piece of homeland in the center of Baden-Wuerttemberg is the "Turk iseileri yardimlasma ve Spor Dernegi" (the Turkish Workers and Sports Club). A monthly fee of 3 deutsche marks give the 221 members and their families a substitute for their cafe on the village square at home.

Ever since the strikes and lockouts in the plants around Backnang began there has always been something going on at the club.

It is now "as if every day were Saturday or Sunday," says Rasim Koyun. But he is not at all in a holiday mood. The lockout has hit him with full force. At 1400 hours Friday before last, he finished his last shift at Bosch in Waiblingen for the time being. His wife and one son--all employed at the same plant--have also been locked out since that time.

"We feel insulted, kicked out, being treated like animals," Rasim Koyun says. The family now has to fall back entirely on its savings, for he quit the union a few months ago. The Turkish assembly line worker had fallen out with the German works council of IG Metall [Metalworkers Union]. Rasim had found the piece-rates too high, but the works council thought they were quite normal. "I have now been with Bosch 9 years," complains Koyun, "but the works council has not solved a single one of our problems."

Nevertheless he supports his former organization in this strike. "If the union goes bankrupt," Koun appeals to his fellow workers at the club, "we will just have to dig into our own pockets." One of them thinks they definitely could hold out for 2 or 3 months yet. He says: "If we fail to reach our aim, we will be nothing but slaves."

That is not just high-flown coffeehouse rhetoric. Wherever pickets formed in front of plants in the strike Laender of Baden-Wuerttemberg and Hesse in the past 6 weeks, wherever workers went to join trade union demonstrations, one could see the workers from the south with their huge black mustaches in the forefront.

"The foreign workers understand much better what they are facing and are much more committed than their German fellow workers," says Ghaouti Mimoune, head of an IGMetall working group for foreign workers at Bruchsal.

The biggest group of foreign workers in the Federal Republic, the Turks, has a greater proportion of union members than the German counterpart. Whereas the proportion of Germans is only a little higher than 50 percent, more than 65 percent of Turkish metalworkers are union members.

When it comes to union representatives, works councils and trade union bodies, however, the guest workers do not have a lot of say. "The foreigners are not represented in proportion to their membership numbers," Ghaouti Mimoune says regretfully.

So the strong support of the strike by the foreign workers is really something to be marveled at. It does not make them popular.

Downhearted, Mimoune tells about the last solidarity demonstration in Bruchsal. Instead of the 2,000 workers who had taken to the street 3 weeks ago, now only 1,000 had come to demonstrate for a 35-hour week. And the men from southern Europe definitely predominated.

Ghaouti, whom the people in Baden for simplicity's sake call Rudi, meanwhile helps himself to a cup of coffee at the Eduscho coffee bar. What he heard from the German spectators at the demonstration depressed him even more. "Did you notice," said the German coffee drinkers with a tone of contempt, "that most of those demonstrating are foreigners?"

In the past few days foreign workers have had to hear similarly deprecatory remarks. "Management charges that we are more active than the Germans," the locked-out Bosch worker Koyun reports. A young Turk studying computer science in Stuttgart stated it simply to the head of his rooming house: "Actually only foreigners and union officials are for the 35-hour week."

That really is a vicious circle. The unions are probably the only big German organization where foreigners, at least on the face of it, have a chance to be accepted as equals, but if anything their solidarity appears to have further increased the xenophobia.

Among themselves, the foreign union members do reveal their disappointment. Just as workers so far have always complained that they have to "pull the chestnuts out of the fire" for the white-collar employees, so, according to a report by Rudi Mimoune about one of the latest conferences of union officials, foreign trade unionists now occasionally wonder why their German fellow workers are not more active in their commitment.

A good question. "After all," says one of the men at the Turkish workers club in Backnang, "the Germans will benefit longer from a 35-hour week, for we are only guests here."

Nevertheless, the Turkish guests have good reason to support a 35-hour week. They are experiencing the results of rationalization earlier and more strongly than their German fellow workers.

It is precisely the hard and monotonous assembly line work, now being done increasingly by robots or machines, that the Germans have typically left to the foreigners to do. In German automobile plants, for instance, guest workers man the assembly lines far more frequently than the metal industry average. For example, more than one-third of those engaged in BMW production are foreigners.

Quite a number of people at the club have stories of their own to tell.

Memet Yasar Konkut is a special expert on the subject. He works at Sortimat, a firm manufacturing production automats. The firm is staying out of the labor struggle. It is not a member of the employers association, and the unions have nothing to say there either. For 8 years Konkut constantly has had to work overtime there. The firm has so many orders for automating assembly work that it can hardly handle with them.

In a long lecture, the cutter describes to his fellow workers in the club how the machines are making people redundant. Like milestones, a few German key words keep cropping up in the Turkish delivery: union, works council, solidarity. The "35 saatlik hafta" (the 35-hour week), he finally concludes, will eliminate unemployment.

8790

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## ECONOMIC MEASURES DELAYED BY INTRA-GOVERNMENT DISAGREEMENTS

Athens I KATHIMERINI in Greek 13 Jul 84 pp 1,3

[Article by Nikos Nikolaou]

[Text] The steady decline of the economy has finally come up for discussion by the qualified government officials, for the first time after the European elections, but the initial conclusion to be reached is that there is among the ministers in charge no common line of thought nor a consensus on the nature of the problems nor about the way to deal with them. On the contrary, there are opposite measures which cancel one another with the result that the crisis gets worse and increasingly spreads to new areas of the economy.

## Confusion in The KYSYM [Government Council]

This adverse conclusion was reached yesterday, at the morning meeting of the so called economic circle which was presided over by the Minister of the National Economy, Mr. Ger. Arsenis and at which the ministers, Messrs. K. Simitis, B. Kedikoglou, E. Yiannopoulos were also present.

According to the same source of information, Mr. Arsenis emphasized and harshly stressed the necessity for a concrete and thorough discussion in the economic circle of the possible repercussions before every economic measure, before any ministerial declaration.

As Mr. Arsenis characteristically pointed out: "There is no longer any margin for experimentation."

This dramatic reminder points to the extensiveness of the disagreements within the government but also to the impasses that have been reached in the economy because of the unbridgeable differences and opposing views. Economic circles think however that Mr. Arsenis' remarks but also those of Messrs. Simitis and Yiannopoulos were directed at the Minister of Commerce, Mr. B. Kedikoglou, whose insensitive measures are viewed as being chiefly responsible for the turmoil on the market which has been observed lately.

The economic circle also pinpointed today's most critical problems as being:

- The wave of price hikes which is boosted by the rise in the dollar, whose price is already close to 114 drachmas with tendencies to go even higher since even this rate is artificial. In fact, the Bank of Greece following directives

of the Minister of the National Economy is restraining the rise of the dollar in order to avoid adverse psychological reactions. If the drachma had been devaluated with regard to the dollar to the same level as the other European currencies its price would already have been 120 drachmas by now.

- The greatly inflated government deficits which do not allow a timely stabilization of the economy, while they fan inflation.

- Within the framework of the need to develop an efficient anti-inflationary policy, it appears that the economic circle examined the repercussions which resulted from the implementation of the ATA [Automatic Cost of Living Readjustment] and it was characteristically noted that already the increase in civil servants' salaries and in pensions by 1 proportional unit leads to an added burden of 3.5 billion drachmas on the budget whereas last year the corresponding burden was only 2.5 billion drachmas.

Those remarks about the ATA constitute perhaps a first symptom of the grave misgivings which beset governmental circles regarding rigid systems which lead to vicious circles.

Of course, in view of the forthcoming Spring elections, a disavowal of such systems is difficult.

12278

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## INCREASED BALANCE OF PAYMENTS DEFICIT IN MAY

Athens I KATHIMERINI in Greek 14 Jul 84 p 7

[Text] For the second time running in 2 months the balance of payments for May also showed a widening of the deficit, a fact which perhaps points to the possibility that the favorable effects which had emerged in the last quarter of the previous year are now exhausted. The return of the balance of payments to a state of precarious equilibrium is chiefly due to increased expenditures for the purchase of liquid fuels and to the continuing decline of foreign currency income from the merchant marine and their negative repercussions cancelled the increase in exports and tourism.

According to data from the Bank of Greece the balance of payments for the 5-month period from January to May shaped up as follows (in dollars):

	<u>1982</u>	<u>1983</u>	<u>1984</u>
Imports	4285	3507	4157
Exports	1863	1383	1945
	<hr/>	<hr/>	<hr/>
Balance of Trade	- 2422	- 2124	- 2212
Variable Resources	2239	1847	1836
Variable Payments	755	873	841
	<hr/>	<hr/>	<hr/>
Balance of Variables	1484	974	995
Balance of Current Transactions	- 938	- 1150	- 1217
Capital Transfers (Net)	650	1078	1411

From the above data it can be inferred that:

1. Foreign currency expenses appear to have increased by 18.3% in comparison to last year when they had decreased by 18.2% during that same period. But this year's increase is caused on the whole by larger purchases of liquid fuels (\$1264 million this year versus \$603 million last year) whereas imports of other commodities continued to decline and reached \$2893 million versus \$2904

million and \$3100 million for the same periods in 1983 and 1982. This continuing decline points to the further shrinkage of economic activities.

2.Revenues from exports have increased by 40.6% whereas they had decreased previously by 25.8%, a fact which points to a steady recovery in exports.

3.Some fluctuations have emerged in variable resources which, as a start, are encouraging. Thus while foreign currency income from the merchant marine continues to drop revenues from tourism show an improvement (a 15.9% increase versus a 35.1% drop last year) as also emigrants' remittances (a 6.1% increase versus a 13.3% drop).

4.The deficit in the balance of current transactions increased even further and already shows a tendency to reach \$ 2.3 to \$2.5 billion for the whole year.

5.Capital transfers show a significant increase and this is exclusively due to the largest foreign loans which have totalled \$1038 million this year versus \$725 million last year and \$369 million in 1982.

6.The available foreign currency on 31 May had totalled \$1112 million versus \$878 million last year. The increase is due to the higher foreign loans.

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## ECONOMY'S RESILIENCE IMPERILED BY OUTSIDE FACTORS

Athens I KATHIMERINI in Greek 15-16 Jul 84 pp 1,3

[Article by Nikos Nikolaou "Our Economy Is Subjected to Intense Outside Pressures"]

[Text] The unrestrained rise of the dollar, the inflated public foreign debt and the conflicts with foreign banks are now creating a framework of strong outside pressures on the Greek economy which severely strain not only its resilience but also its stability. Moreover, the fact that these developments have emerged at a time when the economy already is ailing from the low production, high inflation and extensive unemployment syndroms further complicates the situation while it limits, on the other hand, the government's possibilities for intervening and dealing successfully with the problem.

Because, in spite of the fact that behind the outside pressures there is no hidden political blackmail this does not prevent developments of this kind from also having a political dimension since, in practice, they weaken and restrict the actions and reactions of the government.

The gradual realization by the government of the dangers with which this situation is fraught not only regarding its own fate and the course of the economy but also our national interests perhaps explains why on the initiative of the premier we are already taking active steps to resolve the recent crisis in Greco-American relations, while simultaneously shedding light from all angles on the framework within which the talks with Mr. Rogers took place the day before yesterday.

Basically, at this stage these pressures find their expression in the frictions that are noted for the first time in 30 years in the relations between the Greek economy and large foreign banks. Those frictions, together with the abruptly inflated foreign debt and the strong rise of the dollar create a slippery ground on which developments in the Greek economy could lead at any point to a fatal fall. Unfortunately this is not "alarmism" but a nightmarish reality of which the premier as also the most sober members of the government are becoming slowly aware and they are already admitting that: "In view of the miserable condition in which our foreign debt is should the Americans wish to apply even a slight pressure we will find ourselves in an impasse."

For the present there are already problems with largest American bank, the

Citicorp and the 4th largest, the Manufacturers Hanover, the most important European one, the Credit Suisse and a few others. The problem is caused by the large loans those banks had made to Greek industries which have been subjected recently to law 1386/83 on precarious industries with the result that payments on debts were stopped or were made with such delays that they triggered the anger of foreign bankers.

There is no need to go into the grave dangers with which a possible clash with the international banking establishment is pregnant. Those banks, because of their size and influence, effectively control the international money markets and, besides, they often participate directly as coordinators in the consortiums of foreign banks which extend loans either to the government or to public enterprises (DEI [Public Power Corporation], OTE [Greek Telecommunications Organization] etc.) Furthermore the fact that the Citicorp withdrew last week from the group of coordinators who were to collect the money for the \$200 million loan for which the DEI is asking this year is an event which was widely discussed in all the international stock exchanges. The displeasure of the Citicorp stems from the irregular and overdue payments of interest on the \$20 million loan it had extended to LARCO.

When to this is added the displeasure caused to foreign banks by the war that goes on with the government's toleration between the various pressure groups, the picture of the threat which looms from that quarter is complete, a threat which can be neutralized only if we close our borders and become Albania!

This threat, however, can become straightforward and concrete at any time in view of the fact that the foreign debt is increasing in a geometric progression. It is well known and it has been confirmed by the latest data that despite the unprecedented squeeze the government has imposed on economic activities the deficit in the balance of foreign payments is getting steadily larger. The balance deficit (calculated according to the system of funding) was this year, in the 5-month period between January to May, \$1525 million versus \$1319 million last year during the same period, \$908 million in the 1982 equivalent period and only \$183 million in the first 5 months of 1981. That is to say, in the PASOK years dependence on foreign funding sources (in which the EEC is included) has increased 8.5 times!!

Whether such extensive debts and high dependency on foreign loans still make it possible to pursue "a proud and independent policy" is a matter which anyone can judge for himself. The harsh truth is that never in the past did our nation find itself in such a difficult position and never before have those who governed it found themselves so narrowly limited in making the necessary foreign policy moves and maneuvers. If Mr. Andreas Papandreou does not exert a little caution he will have to choose between the role of a Latin American premier touring international capitals and vainly complaining about the mercilessness of foreign banks or the role of Mr. Soares who is only Prime Minister of Portugal in name since in reality Portugal is governed by the International Monetary Fund.

This difficult situation, moreover, causes many members of the government to feel exasperated by the populist way in which the government handles our relations with America and the other nations of the West with explosion of simplistic nationalism. As one of those officials was saying characteristically, the

negotiations with which we are so often threatening the Americans are so one-sided with respect to us as not to scare anyone. The United States would stand to lose very few points in their international strategy (bases of a dubious value and a radio station that can be easily continued as a floating one) while we would be faced with a dramatic reversal of the balance in the Aegean which we are unfortunately unable to restore through our own powers. And we do not even have the smallest prospect that the other super power will step in to close the gap. Kuwait, of course, displeased with the Americans hastened to Moscow to buy super-modern arms but it is paying for them in cash and in dollars! As for us, we borrow from abroad to buy our most elementary requirements (foodstuffs and drugs) and even raw materials so that our industry will not come to a complete halt. And besides, it escapes no one's attention that the constant postponement of the famous purchase of the century is closely related to the fact that our foreign currency reserves are barely sufficient for run of the mill imports for 40 days!

The President of the Republic when following the maneuvers of the Navy last week made a highly significant declaration. He said that in order to have strong armed forces we need political and social serenity, a strong economy and steady international support.

12278  
CSO: 3521/299

## INDUSTRY CONFEDERATION PESSIMISTIC ABOUT ONSHORE ECONOMY

Oslo AFTENPOSTEN in Norwegian 4 Jul 84 p 22

[Article by Thomas Knutzen: "Norwegian Industry Federation: Steadily Weaker Domestic Industry"]

[Text] The Norwegian Industry Federation views the development in Norway's economy more pessimistically than other forecast makers in Norway. Yesterday the industry federation presented figures which show that domestic-market-oriented industry has not benefited from the economic upswing and that business profits in industry are in reality plainly lower than during the last period of prosperity in 1979. Domestic competition industry had a decline in business profits from 1982 to 1983 of about 1 billion kroner, it is pointed out by the industry federation.

The Norwegian Industry Federation's economists present figures in almost all areas which show less favorable development than the estimates of others. They expect that the rise in prices in Norway this year will be about 7 percent, especially because the agriculture estimate will be more expensive than was figured on earlier. It is expected that industrial production will increase by only 0.5 percent from last year to this year, and the growth in industrial investment is estimated at 5 percent. The industry federation figures that Norwegian industry's competitiveness will worsen by about 2 percent from 1983 to 1984. The reason given is an unchanged exchange rate for the krone from last year to this year and a growth in wages in line with the range which had been set for the spring estimate of 5.9 percent. The latest development in the currency market which produced a weaker krone can reduce this decline, but Norwegian Industry Federation Division Director Tor Steig thought that the probability of an increase in wages of over 5.9 percent was greater than a lower value of the krone.

The industry federation expects that private consumption will rise by about 1.5 percent this year, while public consumption this year is estimated to rise by 3 percent, versus 3.7 percent last year. "Against the background of these figures for the growth in public consumption, it can be difficult to understand the justification for many of the headlines one can see," Steig commented. "This can have its explanation in that individual sectors or municipalities are being focused on to too great an extent. Overall, there

is strong growth, especially in light of the fact that the gross national product on the Norwegian mainland is increasing by only about 1.7 percent."

The industry federation expects that Norway's balance of payments surplus this year will remain at 17.7 billion kroner, but this was an estimate which was made before the last rise in the rate of exchange for the dollar, which will especially manifest itself for oil and gas exports.

The industry federation is also presenting estimates for development in 1985, and these are based on the fact that the volume growth in Norwegian exports will be able to flatten out in 1985. Overall, a 0.5-percent growth in industrial production is expected also in 1985, while industrial investment will grow by 15 percent. The growth in investment will especially come in heavy export industries like the metals, chemicals and woodworking industries, which are also those industries which have earned money during the period of prosperity up to now.

The industry federation expects that private consumption will increase by about 1 percent next year, and public consumption is expected to increase by 3 percent.

The industry federation expects that the rise in prices in 1985, too, will be a couple of percentage points higher in Norway than in the countries we compete with, and their estimate for 1985 is a rise in prices of about 6.5 percent.

In its assessment of the Norwegian economy, the industry federation places special emphasis on the fact that the typical export industries now cannot increase their production and exports to any appreciable extent. The domestically competing branches of industry have not especially participated in the prosperity, and the industry federation explains this by the unfavorable growth in costs. In addition to a lower growth in wages, the industry federation wants lower interest rates in Norway. Their calculations show that real interest, which is interest with a deduction for the rise in prices, is about two percentage points higher in Norway than in the countries which compete with us. Division Director Steig and Administrative Director Knut Lofstad both advocated that this difference should be equalized, but wanted this to take place without new regulations. The industry federation's proposal to the government is that it tighten up on the State budget so that it will be easier to borrow money and that interest rates will decrease in a natural manner. Steig answered to a question that this requires "quite large" increases in credit limits for next year.

The industry federation expects that the balance of payments surplus in 1985 will remain at about 11.4 billion kroner, but advises against using more oil money to increase domestic demand.

The industry federation is also advocating that the system for the fixing of profits in Norway be changed so that it will again be the parts of industry exposed to competition which set the norms for the growth in profits elsewhere in the community.

## OFFICIAL ENCOURAGED BY INCREASE IN EXPORT INDUSTRY GROWTH

Oslo AFTENPOSTEN in Norwegian 6 Jul 84 p 3

[Article by Morten Malmø: "Industrial Production Up, Exports Increase"]

[Text] Industrial production in Norway is increasing and it is especially the export-oriented firms which are contributing to this. Undersecretary Kjell Hanssen of the Industry Ministry says that the increase in industrial production from April to May this year was three percent. The increase from March to April was also three percent.

These figures, produced by the Central Statistical Bureau, deviate from the forecasts the Norwegian Industry Federation presented the other day and which were to the effect that industrial production in Norway will increase by only a good half percent, something which approaches stagnation.

Undersecretary Kjell Hanssen believes that the latest figures show that growth is far brighter than many have believed, but, however, he points out the fact that the figures must be taken with the usual reservations. Hanssen says that there is much to indicate that the latest new production figures show that we have broken out of the stagnation which has characterized Norwegian industrial production during the last 10 years.

Hanssen says that if the first five months of the year are regarded as a unit industrial production is 2.3 percent higher than for the same period last year. If industrial production remains at the May level throughout the year, Hanssen believes we will have an increase in production of 4.7 percent from 1983 to 1984.

"However, we must pay attention to the fact that the progress is due especially to export-oriented industry and that domestically competing industry continues to hang a little behind. It also seems obvious that our export industry has received a 'push' from the American economy."

According to Hanssen it is especially the woodworking industry and the ferro-alloys and aluminum industries which have done well in export markets. Exports of oil and gas are not included in this summary.

Although this "index" for industrial production now has reached 101.6 in May of this year, versus 100 in 1980, the undersecretary in the industry federation [as published] agrees with the warnings the Norwegian Industry Federation came with the other day.

8985

CSO: 3639/134

## SWISS, AUSTRIAN ELECTRICITY PURCHASES PLANNED

## DEI Plans

Athens TA NEA in Greek 10 Jul 84 p 5

/Text/ The DEI /Public Power Corporation/ services are conducting special studies on the possibility of purchasing electric power from Switzerland and Austria. According to information, the possibility of transporting the current via Yugoslavia and Bulgaria has not yet been assured. The neighboring countries are proposing that because of the technical reasons prohibiting the transportation via their nets, the supply of electric power be implemented via their own interconnected nets but at a cost, as mentioned by a reliable DEI source, much greater than that offered by the Swiss power distribution center.

In the meantime, however, it has been made known that DEI is also studying the possibility of having our electric power net linked with Italy via underwater cable.

## Purchase Canceled

Athens I KATHIMERINI in Greek 10 Jul 84 p 9

/Text/ DEI has entrusted the Japanese firm Mitsubishi with the construction of a mobile electric power unit utilizing the geothermal sources of Milos for producing electric power.

The mobile unit would produce 1.5-2 MH of power and would begin operations at the end of 1985.

In the meantime, DEI is also studying the development of the Milos geothermal sources and their linkup with the national net.

Moreover, as the DEI administration has mentioned, studies are being conducted on the building of an underwater cable between Greece and Italy for the transportation of electric power. The project, to be financed by the EEC, will cost 3-4 million dollars but it does present certain technical difficulties.

The supply of electric power from Switzerland and Austria --DEI had asked for such purchases for the months of July, August and September-- has been canceled because Yugoslavia has been encountering difficulties in transporting it via its nets.

With regard to the bidding for the installations of the new electric power plant of Megaloupolis 4, the DEI administration has mentioned that the bids are now being looked at and that the cost of the boiler comes to 13-20 billion drachmas and 6-10 billion drachmas for the remaining equipment.

In the meantime, it was announced a few days ago that trial operations on the new Unit 1 of Agios Dimitrios in Kozani have begun. The trials have been temporarily discontinued but will resume within the week.

The new thermal unit of Agios Dimitrios 2 will begin trial operations in August.

With regard to the operation of the electric power plant in Lavrion that had suffered serious damage it has been mentioned that the shaft of the unit has been repaired and that trial operations will begin soon.

5671

CSO: 3521/303

## ABUNDANT MACEDONIAN LIGNITE, OTHER RESERVES

Athens MAKEDONIA EPILOGES in Greek Jun 84 pp 20-22

/Text/ The frequent disruptions in electric power supply over the past few months (power cutoffs, drop in voltage, etc.), that are attributed by the DEI /Public Power Corporation/ to the overloading of certain areas and to unfavorable... weather conditions, have once again brought into focus the problem of the modernization of the control system and of proper coordination within the company and more generally-speaking to the whole issue of the proper energy planning of our country.

The amount of lignite mined by DEI over the past 2 years could not meet the increased needs of electric power consumption, with the result that we were forced on the one hand to import electric power from neighboring countries (Bulgaria and Yugoslavia) and on the other hand to seek recourse to petroleum that, of course, is paid for in foreign currency. At the same time, and despite reassuring words, the pollution-producing Keratsinion electric power station has once again gone into operation.

So, what is happening? Perhaps we do not not have sufficient domestic fuels for electric power production?

Anything but that! With the mining of energy-producing ore deposits in Makedonia alone we would be able to need the electric power supply needs of the country for at least the next 40 years.... The rich lignite-bearing deposits of Western Makedonia, the vast peat bogs of Filippi, the uranium of Eastern Makedonia, all merely await a more systematic and better planned mining program that do not admit further delay. This is so because, let us not forget, the Greek workers are paying for the most expensive electric current in West Europe (now with the most recent increase by DEI) in relation to their per capita income!

The continually increasing cost of petroleum, which in our country is translated into a serious foreign exchange burden, has over the past few years made our specialists turn their attention to the utilization of mild forms of energy (solar, wind power, geothermal and biomass), together with an increase in the use of domestic energy resources (lignite and waterfalls) in electric power supply planning.

Thus, the rich energy deposits of Makedonia acquire vast importance: lignite, peat, uranium, geothermal plains, waterfalls and, of course, petroleum and natural gas, all open new prospects for the meeting of the country's energy needs. Today petroleum covers 70 percent of the overall needs, lignite 25 percent and other forms of energy the remaining 5 percent. In the production of electric power, however, the percentages change; Here, lignite (the greatest deposits of which are located in the Ptolemais region, as is well known) participates with 60 percent, petroleum with 24 percent and waterfalls with 16 percent.

With regard to the remaining energy resources of Makedonia (peat, geothermy, uranium, etc.) there has been no systematic attempt for mining as yet. And yet the richness of these deposits provide very encouraging prospects for the future.

#### Electric Power Production and Lignites

From 1953 up to the present, the installed electric power in our country increased 25 times! In 1952, a year before DEI began operations, the percentage of the Greek population that had electric power was 48.6 percent. In 1982, this figure had reached 99.4 percent.

Today DEI has approximately 5 million customers (3,755,000 family consumers and about 1,200,000 industrial, business and agricultural consumers); it has a personnel force of 26,000; in 1983, it made investments to the order of 55 billion drachmas.

The mining of the lignite quarries of Ptolemais was begun in 1957 by the Liptol company that was bought out by DEI in 1959.

However, it was only in 1973 and afterwards that lignite was used intensively for electric power production coming as a result of the sudden increase in the cost of petroleum. In 1982, the overall production of lignite in our country was 26.5 million tons, of which 21.5 million tons were from the lignite quarries of Ptolemais. Here are located the two steam-generated electric power stations (Kardia and Ptolemais) whose overall power is 1900 MW. Two other stations are expected to go into operation shortly, Amyndaion (600 MW) and Agios Dimitrios (1,200 MW).

We can, therefore, call lignite "our national fuel." It offers employment to the local work force and tremendous savings of foreign currency with incalculable benefits for our national economy. Nevertheless, unjustified delays in the procurement of mining equipment and transportation means from the quarries have resulted in DEI's turning at the last moment to the use of other very expensive raw materials that are paid for in dollars...

Lignite deposits (with thermogenic power of about 1.7 million KCAL/a ton) exist not only in the Ptolemais region but in the entire Kozani-Florina region. The overall deposits that can be mined are estimated as follows:

Ptolemais: 1,500 million tons	Akhlada: 35 million tons
Amyndaio: 238 million tons	Vegara: 10 million tons
Vevi: 25 million tons	Servia: 43 million tons
	Total: 1,920 million tons

Moreover, other lignite-bearing deposits were discovered in 1983 in the Ptolemais suburbs as well as in the Serrai and Drama regions. Therefore, according to DEI's estimates, lignite will, in 1992, make up 82.2 percent in electric power production, hydroelectric power projects 15.6 percent and petroleum only 2.2 percent.

### The Small Lignite Mines

Besides the large lignite deposits, there are many other small lignite mines scattered throughout the Ptolemais-Florina region, most of which are mined by private individuals (Amyndaïou Lignite Mines Company, Violignit Company, etc.)

The deposits of these small mines could be developed for the production of processed lignite products or could be used as a fuel for small electric power stations. Also, as heating sources for home or industrial consumption, for greenhouses, etc.). The known deposits of small lignite mines are estimated at 238 million tons.

Finally, new possibilities for the development of lignite-bearing deposits are opened with the "in-situ" method of lignite mining.

### Hydroelectric Energy

Water power that could be developed for electricity power production in our country is estimated at 20,000 GW/H a year.

Today we are exploiting only 16 percent of this power (3,200 GW/H) while for 1990 DEI foresees hydroelectric production in the order of 8,000 GW/H. In Makedonia, three hydroelectric plants are presently operating (Agra, Edessos and Polyfytou Kozani), with a total power of 390 MW.

The big advantage of hydroelectric power is that it is a renewable form of energy that does not pollute the environment and could be connected with land improvement projects. Of course, the paying off of the expenditures needed for a hydroelectric project is long-term, while the yield of a given plant often depends on weather conditions and the cleanliness of the waters. Nevertheless, it is considered the second most important domestic source of energy, the first being lignite.

Among the more important energy deposits of Makedonia is the peat of Filippi. This vast bog of 40,000 stremmas (among the largest in Europe) contains some 4,500 million cubic meters of peat of which 300 million are assuredly exploitable and are equivalent to about 75 million tons of lignite.

Besides the production of electric current, the development of the peat bogs for energy needs includes the possibility for producing illuminating gas and mixed gas. Outside of energy uses, peat could be used for the production of organic fertilizer. The peat soil is grey-black in color with over 50 percent humidity content. Various technical and ecological problems that are linked with its exploitation (danger of fires due to its high combustibility after being dried out, need for anti-flooding protection of the region, danger of dehydration of neighboring cultivated areas, etc.) resulted in strong opposition by the local population when the question was first brought up. Thus, the agreement that DEI signed in 1973 with a Russian firm to build three electric power plants in the region was abrogated in 1975. The plants were to have an overall power of 375 MW.

Nevertheless, the agreement proposed very satisfactory solutions for the above-mentioned problems and was at that time considered to be very advantageous from a financial standpoint. Finally, let us not forget that despite the size of the deposits we still are importing (!) small amounts of peat for agricultural purposes....

#### Other Energy Resources

Of the conventional forms of energy, geothermal plains have recently been of great interest. When we speak of geothermy we mean hot water or natural steam that is stored at a depth of up to 10 kilometers underground. In our country only a small percentage of geothermal power is exploitable for electric power production.

There are, however, many possibilities for the use of geothermy outside of electric power (heating, use in greenhouses, etc.). After research begun in 1971, DEI in cooperation with IGME /Institute for Geologic and Mineral Research/, was able to pinpoint quite a few areas that were of geothermal interest (Milos, Nisyros, Thraki, Samothraki, Samos, Lesvos, Evvoia, etc.).

Geothermal plains of low thermodynamic potential were discovered in Makedonia in 1983. Specifically, at Lithotopos in Serrai and Lekani in Migdonia.

Promising uranium deposits were discovered a few years ago in Eastern Makedonia and Thraki. At Paranesti in Serrai, the well-known deposits have now been increased to 400 tons from the 115 tons at the end of 1983, while drillings are continuing at an intensive rate.

Finally, biomass and agricultural byproducts of Makedonia offer interesting prospects. Biomass is energy that can be produced from organic or plant waste and can be used for the production of electric current or heating. There has been increased interest by the state recently in the exploitation of biomass.

#### Proposals and Prospects

Some efforts to exploit the vast energy potential of Makedonia appears to have already begun.

The establishment of a lignite institute is already being proposed for Salonica.

However, according to results of special studies made, there has to be some intensification of research within the context of a long-term energy policy in order to properly develop our energy resources. There is also need to do research on the possibilities for a combination of elements for the production of energy (for example, a combination of electric power production and steam production) so as to improve the yield of the power installations and to save large quantities of deposits.

Finally, the possibility of limited electric power production by units owned by private individuals or businesses offer some interest. Within the context of the DEI socialization program, the competent committee proposed granting --by exception-- the right of electric power production and distribution to municipalities and communities, industrial firms and private individuals. It did so with the condition that the municipalities and communities sell power produced exclusively to DEI, while industrial firms and private individuals would use the power only for their own needs

ENERGY

GREECE

BRIEFS

ELECTRICITY FROM YUGOSLAVIA--DEI /Public Power Corporation/ will purchase 332 million KWH of electric power from Yugoslavia for the months of July, August and September. The price agreed to is 3.46 drachmas per KWH for July and August and 3.81 drachmas for September. As DEI announced, these prices are smaller than than the cost of fuels (petroleum) for the DEI petroleum-fired units (the smaller units have a cost of 6.17 drachmas per KWH while the larger ones have a cost of 4.27 drachmas per KWH). The agreement was signed in Belgrade by Mr D. Papamandellos, DEI director, and representatives of the Yugoslav State Electricity Firm. [Text] [Athens I KATHIMERINI in Greek 13 Jul 84 p 7] 5671

DEI has announced the value of DEI lignite mines projects at 17,500 billion drachmas. The projects will be built by Greek industrial firms on the basis of an DEI-PYRKAL agreement. The following are the projects involved and their cost: Amyndaion conveyor belts, 6 million drachmas; Neo Pedio, Ptolemais, conveyor belts, 6,000 million drachmas; two lignite excavators for Neo Pedio, 2,500 million drachmas; Amyndaion lignite extraction equipment and lignite and peat conveyor belts, 3,000 million drachmas. [Text] [Athens I KATHIMERINI in Greek 13 Jul 84 p 7] 5671

CSO: 3521/303

## LEFTIST MP ON ENVIRONMENT MINISTER'S ACCOMPLISHMENTS

Copenhagen INFORMATION in Danish 19 Jul 84 p 2

[Commentary by Anne Grete Holmsgaard, Left-Socialist Member of Folketing]

[Text] The minister is pursuing an excellent line in an international context, but it is not making much of an impact on the government.

During June Environmental Affairs Minister Christian Christensen took part in a number of international meetings on important environmental problems. According to press reports he presented a strong green profile on such matters as acid rain, automobile pollution and so forth. Of course that is very good and certainly also a bonus for the minister's own party which tried in the election campaign to present itself as an environmentally aware party. When it comes to acting on the home front (Folketing), however, it has been a little hard to catch sight of the green profile. Actually the minister and the government have consistently joined the most reactionary wing. It is probably true that on a number of issues the environmental affairs minister has not agreed with the other government parties and would have liked to be a little more green, but it is after all actions that count, not one's light-green heart.

This reactionary tendency applies not only to the environmental issues currently being discussed on the international level but also to a great many other environmental issues. The only reason that the environmental affairs minister can place himself on the progressive end of the scale on the international level, in spite of this, is that it has been possible to create an alternative majority on some issues. Unfortunately this alternative environmental majority cannot be counted on. In the world of reality the Radical Liberals have demonstrated that they are incapable of living up to a policy that protects the environment and tips the scale in favor of the environment when there is any doubt.

With respect to an effort to counteract the threat of acid rain, the environmental affairs minister's move consisted of a 30 percent reduction in relation to the 1980 level. That was simply the lowest bid the government

could make without looking ridiculous in the eyes of the world. From the viewpoint of environmental policy the proposal was totally inadequate and it was also rejected by a majority made up of VS [Left-Socialists], SF [Socialist People's Party], S [Social Democrats] and RV [Radical Liberals].

Both SF and VS made it clear from the start that an effort should be made to achieve a 60 percent reduction. Technically this is possible without too much of an effort and would represent only a very modest increase in the price of electricity consumption amounting to approximately 5 ore per kilowatt in the year 2000. The price hike of 5 ore should be seen in connection with the fact that electricity prices declined by about 10 ore last year. There is little doubt that a large part of the population would have liked a resolution calling for a 60 percent reduction. At least an opinion poll showed that a majority would rather pay a little more to protect the environment (the annual extra expense for an ordinary household would be around 200 kroner in the year 2000).

But industry and the electric plants made such a fuss that after several weeks of intensive Environmental Committee meetings the result was a 42 percent reduction. Of course the government parties--and the electric power plants--could certainly live with that and thus the proposal got the support of the full Folketing with the exception of the Progressive Party and the one Free Democrat.

VS, SF and S made it clear in connection with the EC meeting of environmental ministers on 28 June that the goal is still a 60 percent reduction--a level that Denmark's very green environmental affairs minister should be supporting since the EC Commission has actually proposed a 60 percent reduction.

Another example involves the issue of leadfree gasoline and restrictions on automobile pollution corresponding to what can be accomplished by using catalytic converters on all new cars. VS, SF and S have been trying for some time to get a Folketing majority to support these reasonable demands. Among other attempts the proposal was brought up again in the spring of 1984. Each time it has been greeted with verbal approval. After all it is hard to argue against limiting and eventually eliminating the enormous lead pollution that causes the Danish automobile fleet to spread several hundred tons of toxic lead over the environment each year.

In addition to this is all the other pollution emitted by cars which the bill would also limit by anything between 70 and 95 percent--depending on the pollutant involved. They include the carcinogenic polyaromatic hydrocarbons and nitrogen oxides which also acidify the environment. According to the Environmental Agency car traffic produces up to 70 percent of the total nitrogen oxide pollution in cities.

But on the concrete level the proposal was rejected with reference to a number of "technical difficulties." The most important one is called EC. EC has two directives prohibiting member states from introducing demands similar to the ones we have made.

Denmark need not fear international isolation, however. West Germany has just passed a resolution of principle on introducing leadfree gasoline by 1 January 1986. It could hardly be regarded as an excessive move if Denmark does the same. The other technical objections have been dealt with in the revised proposal by VS, SF and S.

Viewed in an international context it is not exactly a trivial matter that the two biggest car-consuming countries, the United States and Japan, have actually introduced the demands we are making as far back as the mid-1970's.

Even so we could not activate the green majority on this issue. Once more the Radical Liberals were unable to live up to the eloquent words about not letting any possible doubts be resolved in a way harmful to the environment. But all is not lost. At the 11th hour the Folketing Environmental Committee managed to issue a report (which was largely unanimous) that states that a plan for implementing the demands is to be presented as soon as possible and that in EC and other international groups Denmark should support the West German resolution of principle calling for leadfree gasoline by 1 January 1986. Now the important thing is to apply pressure in order to prevent this statement from being forgotten in some dark corner.

Another issue where the environmental affairs minister turned up on the reactionary front was the proposal to recreate Hjarbaek Fjord as a salt-water system (a proposal made by SF and S). This proposal also mobilized a certain amount of verbal sympathy but eventually failed to win approval. This occurred by the narrowest possible margin, namely a single vote (SF, VS, S and the Progressives voted for with all the others against). The Radical Liberals distinguished themselves by supporting a salt-water project in principle. But they would not intervene in municipal autonomy.

Now of course people can very well maintain this kind of principle in an area (the environmental area, for example) and then ignore it in other contexts (such as municipal finances). But it really looks quite suspicious when the Radicals actually voted a few years ago in favor of an intervention in local autonomy, namely when the party supported the proposal for a salt-water lake behind the exposed dike, exactly contrary to the decision of local authorities.

Aside from the fact that the environmental affairs minister's present international charm offensive can hardly be said to be based on the efforts he and the government have made, we are naturally very satisfied with it. It should really be praised. In diametrical contrast to the way in which the foreign minister presents the views of the majority, the environmental affairs minister presents them not just formally but obviously with some enthusiasm as well.

Who knows, it might prove to be beneficial for both security and the environment if Christian Christensen became foreign minister instead.

6578

CSO: 3613/201

## ENVIRONMENT MINISTER URGES END TO LEADED GASOLINE

Helsinki HELSINGIN SANOMAT in Finnish 27 Jun 84 p 18

[Commentary by Olli Lampi: "Unleaded Gasoline Will Be an Expensive Bill"]

[Text] The ministry plan presented by Environment Minister Matti Ahde to switch completely to unleaded gasoline is far-reaching and expensive. The dangerous nature of the lead contained in exhaust gases is indisputable, but switching to completely lead-free operation is also an economic and a technical problem.

Lead is a cheap way of increasing the octane rating of gasoline, that is, its stability under compression. When the percentage of lead is reduced, the basic, additive-free gasoline has to be purer than at present so that the octane rating can be preserved.

The standard that is finally to go into effect at the start of 1986 will lower the lead content of gasoline from 0.4 to 0.15 grams per liter. About 2 percent more crude oil than in the current production of gasoline will go into the production of low-lead gasoline. Passed on to the price of gasoline, the cost will be from 6 to 8 pennies a liter.

Cars at present using gasoline will be running on "weaker" fuel after 1986 too.

Switching to completely unleaded gasoline also requires structural changes in the car engine. At present gasoline containing lead lubricates the engine exhaust valves. Completely lead-free operation requires a different valve-lubrication system.

During the period of transition to unleaded gasoline both kinds of gasoline will have to be on sale. As the operational life of cars increases, almost 20 years will be required for the duplicate distribution system.

Switching completely to lead-free operation will make catalytic converters, or afterburners, installed in cars feasible. Installed on the exhaust pipe, the catalytic converter cuts down on other environmental toxic substances like carbon monoxide and hydrocarbons. This kind of afterburner does not tolerate leaded gasoline.

In the United States, the promised land of motoring, they switched to unleaded gasoline in the mid-1970's. The reason for going over to lead-free operation was not, however, because of the lead itself, but the fact that it ruined the catalytic filters installed to prevent the generation of other environmental hazards. The hazards of lead were acknowledged later.

According to a study made by the federal government, the amount of lead in the blood of Americans dropped fully 36.7 percent in 5 years time.

In just the past few years Finnish gasoline has been decisively cleaned up. As recently as 1979, the upper limit for lead content was 0.7 grams per liter.

#### Finland Behind Europe

A maximum amount of 0.15 grams per liter is in use in many Western European countries. "Finland has been moving behind the general European standard. In West Germany they are planning to switch completely to unleaded gasoline. If only because of auto tourism, we ought to follow this development in Finland too," planner Seppo Sarkkinen of the Environment Ministry said.

Neste Oy [state oil company] is building two new refinery units in Porvoo and Naantali for the production of low-lead gasoline. The investments will require from about 100 to 150 million markkas. As early as the first half of 1985 we will be able to get 92-octane, low-lead gasoline at gas stations.

When the decision to switch to low-lead gasoline was reached in 1983, Neste assumed that the additional costs would be passed on to consumer prices. "Right now it's still hard to say how big a share of the additional costs the consumer will have to pay," information chief Helena Haapalinna of Neste Oy said.

11,466  
CSO: 3617/182

## EC FINANCES 50 PERCENT OF ANTI-POLLUTION PROGRAM

Athens ELEUTHEROTYPIA in Greek 12 Jul 84 p 6

[Article by D. Roussou in The Column "From The EC": "7.5 Billions To Fight Pollution in Athens"]

[Text] Athens can hope to be able to fight the high level of pollution which is the result of the uncontrolled operation of industries in the Basin, of central heating and of the circulation of hundreds of thousands of cars.

The hope comes from the EC whose relevant Environmental Bureau approved the overall program of the Ministry of Zoning, Housing and the Environment and the techno-economic studies which accompany it, and suggest the following measures:

.To The Community Commission: to finance directly the anti-pollution program for Athens, by the amount of 7.5 billion drachmas for at least 3 to 5 years, according to the rate of resorption.

The amount offered by the Community (7.5 billions) represents 50% of the total cost of the program which was elaborated by Greece but negotiations are still in progress to obtain from the Community a bigger participation in the funding.

The Minister of Zoning, Mr. Ant. Tritsis, who announced the foregoing added that in the first 3 years of the anti-pollution program it is believed that pollutants will decrease in the following proportions:

.34.6% of the smoke, 38% of the sulphur dioxide, 25% of the lead, 20% of the carbon monoxide, 12.2% of the hydrocarbon, 22% of the dust and 22% of the nitrogen dioxide.

#### What Measures Are Foreseen

The measures foreseen by the program are:

.For Industries and Handicrafts:- A decrease in the emissions of lead and lead oxide from battery manufacturing industries, the control of dust and lead emissions from foundries, a decrease in the emissions from textile industries and industrial furnaces and boilers, the use of manufactured gas by industries, a decrease of emissions from dry-cleaners, rayon factories (fabrics), metal

processing handicrafts and plating works, factories, stone quarries, lime kilns, brick works, tile works, cement factories, glass works, steel mills and foundries, and the relocation of about 40 foundries and gypsum production units.

.For Cars - The conversion of diesel powered taxis to liquefied gas fuel, of diesel powered buses to dual fuelling (liquefied gas and diesel fuel) and of diesel powered delivery trucks in the city to liquefied gas fuel; supplying 57 municipalities with the technical means of sprinkling roads, the creation of centers for technical controls etc.

For Central Heating Installations - A program for installing steady temperature controls (thermostats).

For Fuels - A program for the further extraction of sulphur from fuels and a decrease in the emission of hydrocarbon from the distribution network of manufactured gas and from the gas manufacturing works.

12278

CSO: 3521/304

## ENVIRONMENT MINISTER ON MUNICH CONFERENCE, ACID RAIN

Oslo AFTENPOSTEN in Norwegian 3 Jul 84 p 5

[Article by Morten Møller Warmedal: "Breakthrough in War Against Acid Rain"]

[Text] "We have achieved an international breakthrough in the war against acid rain." This was Environment Minister Rakel Surlien's conclusion when she yesterday gave an account of the results of the Munich conference she took part in last week: "Eight new countries agreed to the goal of a 30-per-cent reduction in sulfur dioxide before 1993, and this is the first time that the East European countries are playing on the same team as the Western countries in this matter," Surlien said. Besides, she denied that Norwegian forests will be damaged by acid rain.

It is 12 years since acid rain began to be taken seriously as an international problem. Gradually consciousness has increased, of the ecological catastrophe awaiting us if it is not possible through joint international measures to reduce the harmful effects of toxic emissions from industry and fuel. The conference which was held in Munich last week, in which 31 countries participated, is the last in a series of international conferences in which the war against acid rain has been placed on top of the agenda. Last year we were witness to a record effort to initiate binding agreements between countries on a multi-lateral basis. In March of 1983 ECE, the convention on border-crossing air pollution, went into effect, as 31 countries ratified the convention. After a minister's conference in Ottawa, Canada, in March 1984 a further step was taken to reach binding agreements on the reduction of national annual sulfur emissions by at least 30 percent before 1983 [as published]. At the meeting in Munich eight new countries agreed to the Ottawa declaration, which has thereby been signed by 18 countries. The Soviet Union, East Germany and Bulgaria are among the countries which have now bound themselves to a reduction of emissions, and this is the first time that East European countries have signed a binding agreement against acid rain.

Environment Minister Rakel Surlien asserted at a press conference yesterday that the countries in Scandinavia could say they are especially pleased about the joint work which is now under way against the common enemy threatening our natural base.

### Norwegian Net Import

Norway is a net importer of acid rain. An entire 90 percent of the pollution which falls over Norway and which has made a few thousand lakes in the counties of Agder fishless comes from the Continent. Surlien denied that harm to forests has been discovered in Norway, such as the case is in West Germany, where large forest areas are lying "dead" because of acid rain. However, she confirmed that the collection of data is under way in order to clarify possible damage to forests in Norway. Pollution damage has been discovered, for one thing, in forests in the Göteborg area in our neighbor country.

There was agreement at the Munich conference regarding coordination of the research aspect, via monitoring of the situation, and as far as economizing on energy is concerned. The 31 countries which met in Munich also agreed to reduce emissions of nitrogen oxide before 1995, and to develop joint strategies to reduce automobile pollution by means of better technology, lead-free gasoline and traffic control measures. The attitude in Norway is to reach an entire 50-percent reduction of sulfur oxides. Emissions have already been reduced from over 180,000 tons per year early in the 1970's to 106,000 tons per year in 1983.

8985

CSO: 3639/134

## PAPER COMMENTS ON PLANNING TO END USE OF LEADED GAS

Oslo AFTENPOSTEN in Norwegian 10 Jul 84 p 2

[Editorial: "Lead-Free Gasoline"]

[Text] Road traffic is making a constantly increasing contribution to total air pollution. People are noticing it and it can be proven statistically. Last year the so-called Automobile Pollution Committee maintained in a report that exhaust gases from road traffic are thought to contribute considerably to the air's content of cancer-causing substances.

This increasing problem has been debated seriously for a number of years on the densely built-up European continent, and the USA in 1982 introduced rules regarding the installation of a catalytic converter for exhaust gases on passenger and commercial vehicles, as well as lead-free gasoline. And Japan followed. At present, rules along the same line are being developed within EC, and it has been suggested that a reduction in nitrogen dioxide in the air will be able to be achieved in a few years.

Norway "imports," as we know, most of its air pollution. It is for this reason of great importance to us that binding resolutions regarding lead-free gasoline are now being neared within EC. Exhaust gases from the Continent fall down in considerable amounts in South Norway, in particular. International rules in this area are also putting us in a position to introduce stricter rules against exhaust gases, without this having adverse effects in transport costs for Norwegian companies competing with foreign companies.

For this reason our authorities are watching with eager attention the decision-making process which is taking place at present within EC, and in which the Federal Republic of Germany is especially busy. Here at home a plan is being worked on for switching to catalytic converters on new cars from 1987/1988 and to lead-free gasoline to replace the lowest octane choice at our gasoline stations.

The planning work which is in progress in the directorate of the State Pollution Control Inspectorate is aimed at our political authorities' being able to come to a decision regarding lead-free gasoline in 1985/1986 and to adopt stricter rules against exhaust gases in the fall of 1987. Automobile

organizations and consumer interests are cooperating in the planning, under the assumption that the rules will become international and that economic consequence analyses will be produced and a tax system will be adopted.

The latter is not least important. With our record-high gasoline prices and motor vehicle and road taxes it will be perceived as a flagrant act of tyranny against the motor vehicle people if further expense-requiring stipulations are introduced on top of all this. We are taking it for granted that the committee which is working on the question at present will come with proposals signifying tax compensation for the requirements regarding catalytic conversion of exhaust gases and lead-free gasoline. We are also assuming that stricter rules will be introduced gradually and considerately.

But the air over our largest cities bears witness to the fact that the measures are, when all is said and done, necessary. Here it is a question of unadulterated Norwegian--not imported--pollution.

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CSO: 3639/134

END